

## Nine MPs rally to Council for Social Democracy

Nine right-wing Labour backbenchers were recruited yesterday to the proposed Council for Social Democracy and there is the possibility of more coming forward soon. It was clear last night that some

potential recruits were annoyed they had not been invited with the nine MPs to a meeting in Dr David Owen's Commons room. He said the birth of a social democratic party was very close.

## More Labour recruits likely

Mr Michael Hatfield, Political Editor, said the Council for Social Democracy, the proposed Labour Party breakaway group, yesterday recruited nine right-wing backbenchers with the possibility of more supporters in the near future.

But after a meeting in Dr David Owen's room at the House of Commons, one of the leading members of the so-called "gang of four", it was clear last night that some potential recruits were annoyed that they had not been asked to attend.

Those who were invited to the meeting and declared their support were Mr Tom Bradley (Leicester), Mr Edward Cresswell (Liverpool), Mr Neil Hamilton (Wrexham), Mr John Horam (Gateshead, West), Mr Robert MacLennan (Cathness and Sutherland), Mr John Roper (Farnworth), Mr Neville Sanderson (Haggs and Harlington), Mr Mike Thomas (Newcastle upon Tyne, East) and Mr Ian Wrigglesworth (Teesside, Thornaby).

After the meeting, which was also attended by Mr William Rodgers, another member of the "gang of four", the group issued a statement stating: "We shall campaign individually and collectively, in and out of Parliament, for the cause of social democracy."

The Council for Social Democracy, whose other leading members are Mrs Shirley Williams and Mr Roy Jenkins, has signalled its intention of

forming a breakaway group unless there is a dramatic reversal of Labour policy, an event which it regards as extremely unlikely.

Dr Owen said on BBC radio yesterday that the birth of a social democratic party was "very close". It would take a few months to gather support and prepare for the split with the Labour Party.

He did, however, add: "If you believe in miracles, I suppose it is possible that Michael Foot could come forward with such a complete change in direction of the Labour Party then we would be bound to consider it."

Dr Owen said it was not possible to set up a new party without such a complete change in direction of the Labour Party.

leadership and we will give the leadership. We have got to involve thousands and eventually you have got to involve millions."

"I think what we will hope to do over the next few months is to demonstrate to people that the real Labour Party has changed beyond the point where you can continue to honestly support it."

Mr Rodgers said the nine recruits were all still members of the Labour Party.

"But I am afraid in the light of all that has gone before that it is very possible that we are now moving away and to something new, however said that will be," Mr Rodgers said.

Mr Rodgers said the nine recruits were all still members of the Labour Party.

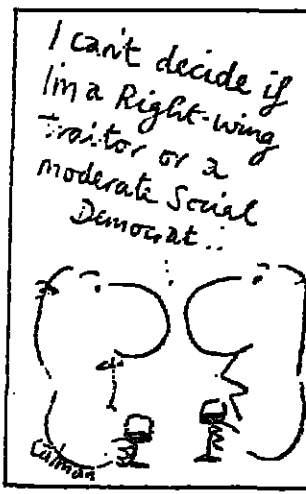
Asked when the rebel MPs would resign the whip and when he would resign from the Shadow Cabinet, Mr Rodgers replied: "That remains to be seen and we shall announce it as we move along, but at this stage, and this was the real purpose of our declaration yesterday, and I think the purpose of the 11 of us this morning making clear where we stand, we are rallying opinion and this is very important indeed."

Mr Rodgers said it was probable that there could be a new party by the summer.

Resignation call: The Labour Party in Wrexham last night passed a vote of no confidence in Mr Foot.

Mr Tom Ellis, who called on him to resign from the party (a correspondent writes from Wrexham).

Warning to Liberals and photographs, page 2



## Rail union backs voting change

The right-wing revolt against Labour's union-dominated party leadership electoral college gained momentum yesterday when leaders of the railwaymen and engineering workers backed steps to reopen the constitutional issue.

There are moves under way to table a constitutional amendment to the annual party conference in October that would shift the MPs' share of votes in the electoral college from 30 per cent to 50 per cent. It is a strategy that has the tacit support of the party leader, Mr Michael Foot.

As the implications of the Wembley conference vote sank in yesterday, some moderate union leaders were openly admitting their misgivings about taking "too much" power in the process of choosing the Labour leader. Under the formula adopted on Saturday, the unions will have 40 per cent of the votes, with the remainder divided equally between MPs and constituency parties.

Mr Sidney Weizhall, general secretary of the National Union of Railwaymen, said he was sure that unions would be looking at ways of reversing the Wembley decision. "For the same reason that the party's national executive never accept a decision that they don't like, I would say other people have the same right to change this to what they think it ought to be."

Mr David Barnett, chairman of Trade Unions for Labour Victory, who first hinted that the constitutional issue could be reopened, would not elaborate further on his proposal that a union would take up Mr Foot's invitation to

restore the moderate formula for an electoral college.

Other union leaders were less recalcitrant. Mr Terence Duffy, President of the Amalgamated Union of Engineering Workers, said on arriving for a meeting of the TUC's "inner cabinet" that he did not consider the leadership issue closed. He hoped those threatening to break away would stay and continue the fight.

While Mr Moynyn Evans, general secretary of the Transport and General Workers' Union, conceded that those unhappy with the Wembley formula could raise it again, he said: "You cannot keep going all the time until you get the result you want. We could have so many conferences you would be getting dizzy after a time."

The TGUW's 1,250,000 vote was cast for the winning formula.

Letters, page 13

## BL given £990m state aid over the next two years without conditions

BL has been rescued once again by the Government and is to receive £990m additional state funding over the next two years. The new injection will bring the total amount of public money given to the company since 1975 to £2,065m.

The additional money has been granted without conditions and the Government is relying upon "regular monitoring" by the BL board of its new corporate plan and on a further promise by Sir Michael Edwards, the chairman, that the company's operations will be reviewed quickly if there is "a substantial deviation in performance."

BL is believed to have made a loss approaching £400m last year and in the new corporate plan, now backed by the Government, it envisages diminished losses this year and in 1982 and a return to profitability in 1983.

Sir Michael Joseph, Secretary of State for Industry, announcing state support for the plan in the Commons yesterday, said the Government would provide £620m in new equity in 1981-82 and £370m in the following year. The company's four-year plan calls for a further injection of £150m in 1984 and 1985.

Sir Keith announced that as soon as the industry became aware of the shareholding in BL would be transferred to the Government from the National Enterprise Board, a move that has been expected since the withdrawal of Rolls-Royce from the NEE's portfolio more than a year ago.

His announcement had a mixed reaction in the Commons, with some Conservative backbenchers expressing disquiet. Mr George Gardner, MP for Reigate, said there was disappointment that firm undertakings had not been given from the trade unions, while Mr John Stokes, MP for Halesowen and Stourbridge, said he hoped "these vast

payments will be the last, or are we going year by year to fill the bath with the plug out?"

Sir Michael, who has acceded to a government request to renege on his promise at least until the end of 1982, said later: "We welcome the Government's decision which clearly recognizes the determination of BL and its workforce to make a success of the business."

He said that last year the company was free of disputes for 98.6 per cent of working hours, a 76 per cent reduction in man hours lost compared with 1979, resulting in the company's best industrial relations record. "We believe this has made a significant contribution to the Government's continuing support."

At a press conference, Sir Keith said that discussions in his department and the Cabinet had looked for the "middle ground" between acceptance and rejection of the BL request, but there was none.

Rejection would have cost more and caused the loss of 130,000 jobs in BL and other companies, so either way "the taxpayer was going to be clubbed."

The taxpayer had got locked into BL so that the only way to escape was to spend money. "We did not inherit many of these and we certainly are not supporting any more," he added.

Sir Keith and his ministerial colleagues have been impressed by the BL board's determination to sell the company's non-core motive subsidiaries, which are likely to include the Alvis military vehicle and Coventry Climax forklift truck operations, and to enter more collaboration deals with other manufacturers as a means of attracting private capital.

Parliamentary report, page 8  
Leading article, page 13  
Essential help, page 17

## Education report fails to guide

Local authorities hoping for guidance on providing education for 16 to 19-year-olds will get little from the report of the Macfarlane committee. It recommends that as no single pattern is generally preferable each authority should be left to decide what provision to make in the light of its circumstances. One criticism is that it does nothing to help to provide a badly needed national policy of education and training related to industry, commerce, employment and unemployment.

Page 4

## Bonn crisis erupts

A rebellion over defence policy by 24 Social Democrat deputies in Bonn has raised fresh problems for Herr Schmidt, the Chancellor, struggling to keep his coalition together. The deputies want defence spending to be cut by £120m and the money used for development.

Page 5

## Mr Walesa's mission

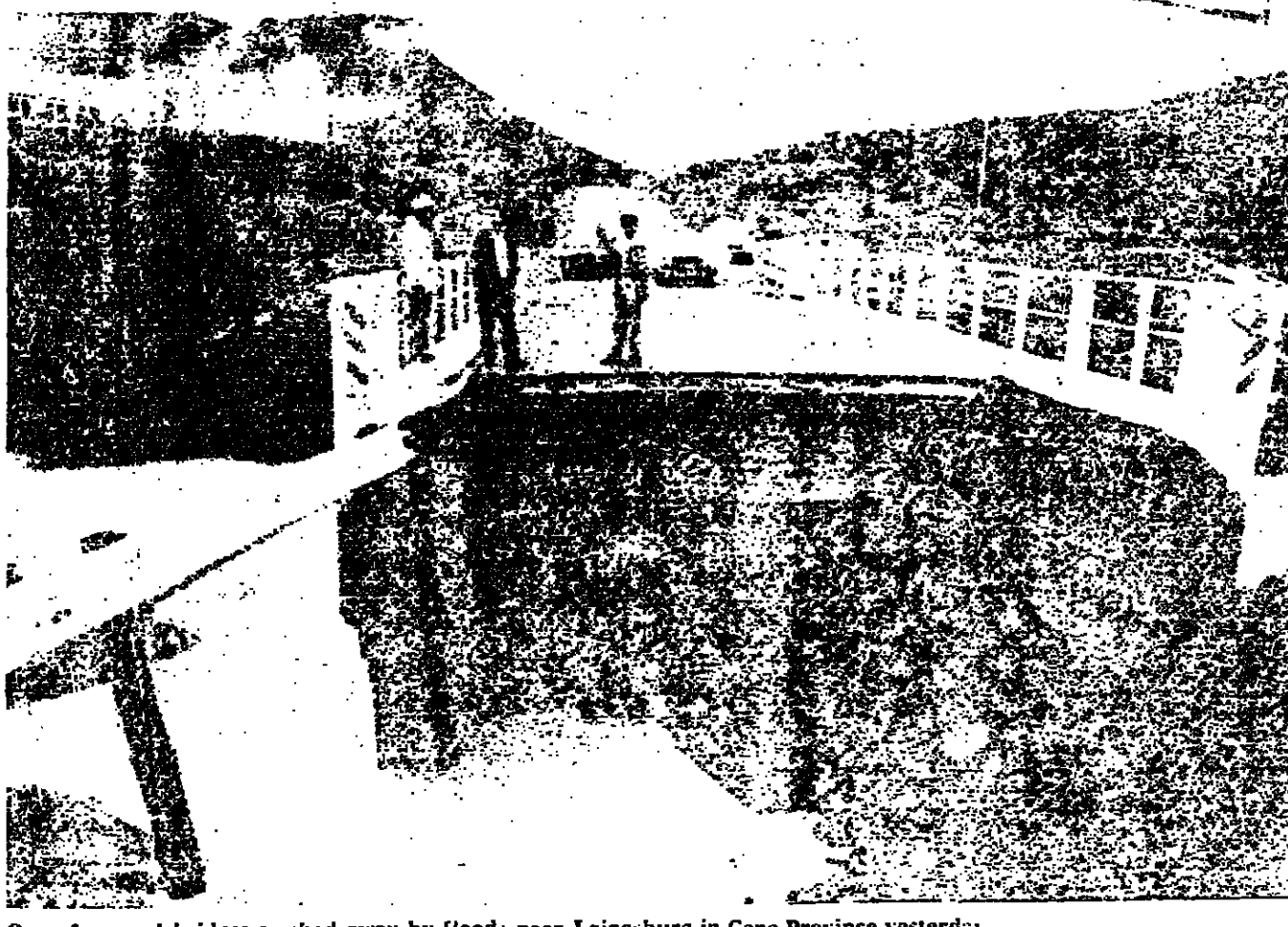
Mr Lech Walesa made an urgent visit to southern Poland to try to avert a clash between peasant farmers demanding recognition for their free trade union and the authorities. Solidarity has called for action by other workers to support them.

Page 6

## Seamen's separate deal

Canadian Pacific, one of the employers involved in the seamen's dispute, has broken ranks and reached a separate deal with the National Union of Seamen. Neither side would give figures but the union hailed the settlement as a breakthrough.

Page 2



One of several bridges washed away by floods near Laingsburg in Cape Province yesterday.

## 120 missing as floods swamp S African town

From Nicholas Ashford Johannesburg, Jan 26

Up to 120 people may have died in the small town of Laingsburg in the western Cape after one of the worst floods in South Africa for almost 50 years.

As rescuers fought their way through mud and debris today, the local police commissioner announced that nine bodies had been discovered and 109 other people were known to be missing, believed dead.

In Parliament this afternoon Mr Pieter Botha, the Prime Minister, announced that the Government had set in motion emergency measures to aid survivors in Laingsburg and other people in the area whose homes and crops have been severely damaged by storms.

He said that emergency medical supplies, food, tents and bedding were being flown to Laingsburg and that troops and

special police units had been sent to the area.

Laingsburg is a small, pretty, sleepy town on the banks of the Buffels river which flows through the barren Karoo region down to the Cape.

However, 12 inches of rain during the past 24 hours transformed a normally docile river into a torrent. One survivor said that a "massive wall of water" thundered down through the centre of the town, knocking down houses and sweeping away cars as it went.

Today, two thirds of the town was still under three to four feet of water. Between 150 and 200 houses were reported to have been destroyed including an old people's home. Fourteen of the home's residents were found seeking refuge on the local rugby pitch this morning but the rest are still missing.

Colonel Herman Moritz, the divisional commissioner of police for the south-western districts, said that Laingsburg looked like a battlefield. Cars were piled on each other, several people trapped on roofs had watched helplessly as others fell off and drowned, he said.

Twelve Air Force helicopters were being used in the rescue operations. They were carrying supplies and lifting out people trapped in their

homes or stranded in vehicles.

Many other areas of the south-western Cape were also affected by gales and floods which destroyed millions of pounds worth of fruit and crops. Particularly badly hit were wine farmers around the Hex river valley whose vines were flattened by the rains. Innumerable cars and sheep have drowned in the floods.

Winds of up to 60 mph swept across Table Bay outside Cape Town yesterday and early today, causing disruption to shipping in and out of the harbour. Most of the main rail system passing through the Karoo has been washed away along a 150-mile stretch, cutting Cape Town off from the rest of the country.

Along the "Garden route" between Cape Town and Port Elizabeth strong winds felled telephone poles, power cables and trees and sent landslides of mud into dozens of homes.

## Cabinet discusses imposing special terms on the sale of Times Newspapers

By Fred Emery Political Editor

Cabinet Ministers are discussing the possibility of the Government imposing special conditions on the sale of Times Newspapers to Mr Rupert Murdoch without referring his purchase to the Monopolies and Mergers Commission. That was learnt last night after a meeting of a dozen ministers with Mrs Margaret Thatcher in the chair.

Mr Murdoch's bid was intensively discussed without, apparently, a decision being reached.

It was said in Whitehall that the decision was now for Mr John Biffen, Secretary of State for Trade. It was not known when Mr Biffen might announce his decision, although he will come under pressure to do so when he speaks in today's emergency Commons debate.

The Government was evidently taken by surprise by the Spectator's assertion in an emergency debate and not pleased. Last night there was unusual restraint in authoritative quarters in mentioning the details. But, clearly, collective Cabinet committee advice was given to Mr Biffen.

The Government, wary of a political outcry if the Monopolies Commission is seen to be bypassed, seems to be searching for middle ground. The idea of imposing Government conditions to require that the editorial independence of the Times be maintained in the form of a quid pro quo for Mr Biffen's consent to Mr Murdoch's purchase, is being canvassed as one way to cut straight to the likely end result of a monopolies commission report.

The Government's keen concern over the legal thickets that could entrap the Secretary of State if he avails himself of one of the exceptions in the Fair Trade Act, 1973, as he must if he is not to refer the issue to the commission, was confirmed by the presence at last night's meeting of Sir Ian Percival, the Solicitor-General.

Several ministers favour a reference to the commission so that the issues can be investigated in the public interest. But other ministers, apparently including the Prime Minister, believe that the papers could be jeopardized by any delay in concluding negotiations beyond the three-week deadline that the owner, Thomson British Holdings (TBH), and Mr Murdoch, have set. Mr Murdoch has objected to a reference to the commission.

Continued on page 2, col 6

## Bulky men clear path to Islamic disunity

From Robert Fisk Taif, Saudi Arabia, Jan 26

You had only to watch the Arab leaders arriving this morning at the glass and prestressed concrete Conference Palace in Taif to comprehend the nature of Islamic disunity.

King Khalid of Saudi Arabia, it is true, breezed from his limousine with a self-confident flourish, his blue uniformed praetorian guard trotting canterly behind him.

But President Assad of Syria was almost smothered by his own security corps, tough bulky men from the Damascus "Mokhabarat" who walked sideways up the marble steps and backwards through the great doors at the tough, President Saddam Hussein of Iraq was even more enthusiastically protected.

Swamp-around bodyguards leapt from the flowerbeds and ranks of camera crews, shouldering reporters and Saudi policemen from their path so that when the Iraqi Baath party's most illustrious scientist eventually clambered from his armoured Cadillac—he had some trouble unlocking his door—it was simply not possible to see more than his eyebrows and hair.

It was left to Mr Yassir Arafat to slow the pace.

When the Palestine Liberation Organization chairman arrived, the last of 35 Muslim leaders to leave his hotel this morning in climbing with no-chance case from his Buick, flicked his right hand in the air for a few moments and then, unsmiling but followed at a discreet distance by a broad gentleman with a shoulder holster, paraded slowly past the television cameras.

The third Islamic summit has, after all, been called the "Jerusalem and Palestine conference" and Mr Arafat knows how to make an entrance. Perhaps he even wanted to emphasize the mutual animosity of President Assad and President Hussein, an index of Arab suspicion from which the Palestinians are supposedly, though not really, immune.

It was the Gulf war which dominated the summit today.

King Khalid appealed yesterday for unity among Islamic nations when he spoke in the Great Mosque at Mecca and it was left to Dr Kurt Waldheim, the United Nations Secretary General, to take up this appeal in slightly different if more specific terms.

With the somewhat insubstantial optimism which his critics often refer, the tall, ascetic figure of the Secretary General appeared at the rostrum of the conference hall to note that "there seems to be a measure of agreement on the possible elements of negotiation" to end the Gulf war.

President Hussein looked on in grim silence. President Assad, Iran's most important Arab ally, did likewise. Dr Waldheim, it turned out, had drawn his optimism from the similarity of views expressed in Tehran and Baghdad about the future demarcation of shipping lanes in the Strait of Arab-water. It was "imperative," he said, that the conflict should be brought to an end.

President Zia ul-Haq of Pakistan agreed in a more vehement and political fashion. The conflict between "brotherly Islamic countries" was a tragic

Continued on page 6, col 1

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## £271m for Britain from EEC

From Michael Horsby Brussels, Jan 26

Britain will receive £271m over the next few days from the EEC in partial reimbursement of its contribution to the Community budget last year, the European Commission announced today.

Added to the first repayment of £98m announced at the end of December this means that Britain will have received 53 per cent of the total refund of £520m on its 1980 budget contribution promised under the agreement reached by EEC foreign ministers last May.

The Government expects another substantial part of the refund to be paid in March, leaving only about 20 per cent owing, which will be released later in the year.

This timetable is in line with the Government's desire that the bulk of each annual refund should be paid by the end of its own financial year, which runs from April to April.

Of the total refund for 1980, £281m will be a straight rebate, and the remaining £422m will consist of EEC-financed expenditure on public investment projects in Britain, particularly in less developed regions. The EEC money will meet between 20 and 30 per cent of the cost of the projects concerned.

The money made available so far under the second heading is earmarked for development programmes in Wales and the north west of England.

The refund of Britain's 1981 budget contribution will amount at current exchange rates to £770m. Arrangements thereafter have yet to be decided.

The Government contends that the refund enables public expenditure programmes to be sustained at higher levels than could otherwise have been afforded. Critics of the Government, however, say that the money is being used simply to reduce the burden on the national exchequer and not to increase spending on underdeveloped regions.



Manager departs: Crystal Palace Football Club have parted company with Malcolm Allison, their manager (above), for the second time only two days after Mr Ron Noades, the Wimbledon chairman, had bought the shares of his Palace counterpart, Mr Raymond Bloye. Dario Gradi, the Wimbledon manager, was named as successor to Mr Allison, who will receive compensation equivalent to his salary until the end of the season.

Page 10

## New Fraser clash

Sir Hugh Fraser, chairman of the House of Fraser stores group, has said that a meeting of the group's directors called for tomorrow could involve moves to oust him from the board. Also expected to be on the agenda is the future role of S. G. Warburg, the group's merchant bank, and Cazenove, its stockbroker.

Page 15

## Tehran: The hostage deal was defended by the Iranian Speaker as the freed Americans relaxed with their families

Classified advertisements: Personal, pages 22, 24; Appointments, 21, 22; Sale Room and antiques, 22

Home News 2, 4, 5, 8  
European News 5  
Overseas News 6, 7  
Appointments 14, 18  
Arts

Book review  
Business  
Court  
Crossword

9 Diary  
10 Engagements  
11 Features  
12 Law Report  
13 Letters

12 Obituary  
13 Parliament  
14 Sale Room  
15 Science  
16 Snow reports

14 Sport  
15 TV & Radio  
16 Theatres, etc  
17 25 Years Ago  
18 Weather

10, 11  
23  
23  
14  
2



## HOME NEWS

## Seamen claim pay breakthrough as operator makes deal

By Donald MacIntyre

Labour Reporter

The National Union of Seamen yesterday hailed a settlement with Canadian Pacific, described as the sixth-biggest British-based merchant fleet operator, as a breakthrough in the month-old national pay dispute.

The union said that the settlement met the essential elements in the claim, and the decision by Canadian Pacific to break ranks came as the General Council for British Shipping said that 138 vessels had been halted by strike action.

In a statement jointly issued with the union, the company, which said last night that the settlement would cover about 800 British and foreign ratings, all represented by the union, commented that it was unwilling "to witness a further deterioration of the existing good industrial relations" with their seamen.

Neither side was prepared to say how far the cost of the settlement exceeded the maximum 12 per cent offer so far tabled by the general council. The company denied unofficial estimates that the settlement might be between 15 and 17 per cent, but did not contest the union's claim that it had agreed to pay a high proportion of overtime at time and a half rates.

Mr James Slater, general secretary of the union, said: "We see the settlement as a breakthrough and obviously we hope that other companies will follow suit."

The company said it had taken no steps to resign from the general council. Mr Adrian Wells, the council president, said: "Obviously, we regard the settlement as a breakthrough. The company has ventured into separate negotiations."

## Union seeks freeze on Tube fares for 4 years

By Our Labour Staff

A 25 per cent reduction in London Underground fares, followed by a four-year freeze on fares, are central demands in a campaign for substantially increased investment in the system launched yesterday by the National Union of Railwaymen (NUR).

The union, which claims 90 per cent membership of staff on the system, made clear that the campaign was being timed to coincide with the Greater London Council elections.

Mr Sidney Weighell, the union's general secretary, said that the Paris Metro, which a union delegation recently visited, was far superior to the London Underground in every respect.

He said the reason was that during the 1970s £2,000m had been spent on public transport in Paris. That was four times the amount London Transport had been able to spend in the same period.

Mr Weighell said that in contrast to European metropolitan transit systems, policies for London Transport had meant a cut in support by a third in the past four years and an increase in the average fare for that period from 15p to 50p. If that continued it would leave "millions of passengers unable to travel on the underground".

Mr Weighell called for a substantial increase in capital investment, a fares freeze and a "more frequent and reliable service, cleaner and more attractive stations, improved customer care and less violence".

The NUR acknowledges that the action on fares which it sought would over the next two years mean an increase of £28.75 in the average rate bill of London householders, if met from that source.

The union will nevertheless argue in its campaign that there would be a net gain of £1.50 a week to the average family using the Underground.

The result would halt the slide towards lower standards caused by a reduction in use of the Underground, Mr Weighell said.

He added that London Transport figures showed that total passenger journeys had decreased from 672 million in 1970 to 594 million in 1979.

Questioned about lower manning levels on the Metro and one-man operation of Paris underground trains, Mr Weighell said: "We have made clear repeatedly that we are not against new technology. We have been willing to talk about manning where there is the proper investment."

The union would, however, want shorter working time and longer holidays.



Mr Rupert Murdoch explaining his policies to editorial staff at "The Times" yesterday, watched by Mr William Rees-Mogg, the editor.

## Mr Murdoch outlines his plans for 'The Times'

By Dan van der Var

Mr Rupert Murdoch yesterday gave editorial staff of The Times a taste of his proposed changes under his proposed ownership and used graphic language to reinforce his public promise to guarantee editorial independence and to ally doubts about his intentions.

"What if I found a way of tearing up all those guarantees and fired an editor? The answer is there would be a terrible public stink, and it would destroy the paper," Mr Murdoch said. The only reason he was opposed to a reference to the Monopolies and Mergers Commission was the length of time it took.

Mr Murdoch, who has until February 12 to reach agreement with the unions on reducing manning levels and new technology, if he is to take over the paper, its three supplements and The Sunday Times.

Mr Murdoch said that the Thomson Organisation, which had bought the paper, was confident the paper could be made viable.

By "viable" he meant no more than the achievement of the smallest of profits in three, four or five years, he said. It would be necessary to learn from the mistakes of the last expansion after Thomson took over in 1967. His aim for the circulation of the paper was to turn a downward trend into an upward one, no matter how modest, which would give it greater credibility among readers and advertisers alike.

While he saw no need to change its character, Mr Murdoch thought The Times would benefit from a new editor, the service division, its readers so that it would be of greater value and appeal at

home rather than being taken off to work by commuters.

He said more could be done for women and the addition on one or two days a week of separately printed sections expanding the services offered to readers could be very successful. He hoped more space could be found for news coverage, with greater flexibility for matching space to big events.

"You have seen the guarantees of editorial independence I gave to the national directors (of Times Newspapers Ltd)... I can say that I did so with the greatest of ease. I have no intention of interfering with any opinions in the paper. I will explain if the facts are wrong," Mr Murdoch said.

Asked to elaborate, Mr Murdoch said he could "sell myself to you as the least of the alternative evils. I think I have locked myself in, particularly with the power I have given of absolute right of hiring and firing editors (by the national directors)."

"What if I found a way of tearing up all those guarantees and fired an editor? The answer is there would be a terrible public stink, and it would destroy the paper."

"What I have really given them the right to do is to force me to sell out. That is really the only alternative. I sell out. Otherwise I would destroy what I am attempting to buy."

He went on to say that there would be redundancies among editorial staff, but that they would not be massive and would be based on rational redundancy, with the right to refuse from staff of special value to the paper.

He had many candidates for editor in mind and hoped to

make an early statement, but the person put to the national directors would be a long-term choice because "a caretaker editor is a lame-duck editor".

He ruled out staff participation in the selection of an editor. Mr Murdoch conceded that new technology, which he hoped could be in full operation by printers in two years, would make headlines earlier but the "enormous savings" it would bring made it essential.

He denied that he was attempting to "hold a gun to Parliament" by giving a warning of being approved or not. He was quite happy to be examined, if they suggest that is the right thing, but it can't

happen and fit into the Thomson timetable," Mr Murdoch said.

He added that he was just as committed to making the three supplements viable, though he foresaw them eventually being printed elsewhere on contract. Further supplements could well be founded later.

But The Times and The Sunday Times would go on printing at Great Britain. It was necessary to move them to make them viable, but it was essential to cut production costs and increase advertising revenues while raising the price of the paper as little as possible.

## NUJ deputation meets Mr Biffen

Continued from page 1

Before the ministerial meeting yesterday morning, Mr Murdoch was received by Mr Biffen, who, at a separate meeting, also saw Mr Gordon Brundage, the chief executive of TBH, and Sir Denis Hamilton, chairman of Times Newspapers Ltd.

In the afternoon Mr Biffen gave a patient hearing to an informal deputation of journalists from The Sunday Times and The Times who sought to explain why the National Union of Journalists' (NUJ) chapels (office branches) at both newspapers had passed motions urging a reference to the commission.

The leaders of the chapels, Mr Eric Jacobs and Mr Jacob Ecclestone, who had attended the meeting with Mr Biffen, also called on Mr Michael Foot, the Labour leader, to explain further why their members believed that the public interest and editorial safeguards would be strengthened after an examination by the commission, and any conditions subsequently imposed.

Mr Biffen said that the reference to the commission was a reference to the commission is to be debated in the Commons today under the House's emergency procedure (Our Parliamentary Correspondent writes).

Mr George Thomas, the Speaker, agreed that the matter

was of sufficient importance for the business of the day to be postponed to take place.

Mr John Smith, Opposition spokesman on Trade, making the application, said that the acquisition of the papers by Mr Murdoch would create a large concentration of news paper power in one ownership. That was precisely the circumstances which Parliament had in mind when it passed the newspaper mergers reference provisions of the Act.

He believed that if the reference was coupled with a request for an early report, a proper examination could be made within the several weeks set aside by the parties. The matter was urgent, because a decision was imminent.

When the Speaker asked if Mr Smith had the agreement of the House for a debate, the required number of 40 Labour MPs rose to signify approval.

Parliamentary report, page 3

## Water workers' delegates vote to back a strike

By Our Labour Staff

Delegates representing 1,300 waterworkers in the National Union of Public Employees voted yesterday to back a strike next month unless a 7.5 per cent offer is improved.

The National Water Council is expected to make this week to consider the next stage in what is likely to prove one of the most critical set of negotiations in the public sector. The executive of the General and Municipal Workers Union last week voted to sanction a strike if necessary.

## Liberals get warning on alliance

By Ian Bradley

A number of leading Liberals have fired an early-warning shot about any electoral alliance the party leadership might be contemplating with Labour social democrats.

Today's issue of the party newspaper, Liberal News, contains three articles, written before the Labour Party special conference last Saturday, which are highly critical of any Liberal involvement in the creation of a new centre party.

Mr Cyril Smith, MP for Rochdale and a long-standing opponent of a Liberal-social democratic alliance, says that he supports the efforts of Mr David Steel, the Liberal leader, to convince Labour and Conservative MPs that their future does not lie with their present parties.

However, he adds that he would be "extremely apprehensive about any electoral pact or deal which would enable a fourth party to take breath or gain life. Such a move would be suicidal to the Liberal Party."

Mr Stephen Atack, a member of the party's national executive and former chairman of the Young Liberals, points to the "deep philosophical divide which separates Liberals and social democrats and says that a substantial number of Liberal activists, including many councillors, parliamentary candidates and peers, would not be able to stomach an electoral pact with the social democrats.

The most strongly worded contribution came from Dr Jeffery Roberts, who won a seat on Hackney council for the Liberals last October with a 40 per cent swing from Labour. He writes: "There are now two Liberal parties. One is engaged in the humble work of serving the people. The other, 'Nobs', Liberal Party is quietly engaged in selling it down the river for the highest and most honourable prize, a centre party."

Describing the "Nobs" Liberals as "social democrats who do not understand Liberalism and so do not prize it," he says it is important that they



The nine right-wing Labour backbenchers who yesterday declared their support for the Council for Social Democracy (left to right, top): Mr Mike Thomas, Mr Thomas Ellis and Mr Ian Wigglesworth. Centre: Mr John Roper, Mr Robert MacLennan and Mr Richard Crawshaw. Above: Mr Neville Sandelson, Mr Tom Bradley and Mr John Horam.

should recognize that "we are not slaying away in the East End (or anywhere else) to see Roy Jenkins et al use the Liberal Party as a doormat."

If pressure is put on individual Liberal constituencies to stand down Liberal candidates to let "centre party" nominees in, there will be a split in the Liberal Party. The articles reflect a growing fear among local Liberal activists that the party leadership is in danger of making too many concessions to dissenting Labour social democrats.

Mr Steel was almost certainly mindful of those fears when he issued a cautious statement of welcome on the formation of

## Minister says jobless are useful 'reserve'

By Our Political Editor

Making a virtue of the "inevitable" unemployment caused by government policies, a junior minister yesterday described the jobless as a "reserve" to be used to increase future production.

"To have labour available is an increase in our industrial potential," Nicholas Ridley, Minister of State at the Foreign and Commonwealth Office, said.

"I have good news for you. Our labour is cheaper to employ than that of our major competitors. Our interest rates are coming down. Our inflation rate is coming down."

"We are becoming increasingly competitive internationally. Britain is now a most attractive place for industrial investment," he said in a speech to his constituents in the industrial town of Crewe and Nantwich.

Mr Ridley, a Thatcherite monetarist, who has been little heard of since being posted to his present position, took his novel defence of government policy to the point of deriding Harold Macmillan and Mr Edward Heath.

Noting that some people were criticizing the Government for both cutting public spending

and not restraining monetary growth, he said: "Some people make both charges in the same breath. Some, like the Tory ex-prime ministers, are not quite sure which charge they are making."

Mr Ridley maintained that the Government "may have got it about right", and went on to bring down the rate of inflation, can only be done by restricting the money supply, and doing that inevitably causes difficulties.

Again, he said, an inevitable consequence of the progress the Government was making against inflation was the "pressure on industry to become competitive and the high level of unemployment."

Ministers are not usually so candid. The government line has been that unemployment was not inevitable as a result of its policies.

But vaunting the Government's achievements in getting down inflation and enjoying a high pound, Mr Ridley said: "Another few years of such progress will give us one of the lowest inflation rates in the world, a healthy balance of payments and a competitive industry."

## Cornish woods preservation order confirmed

By Our Planning Reporter

The Devon County Council Environment yesterday confirmed a tree preservation order on Calanassack woods, on the Helford estuary, in Cornwall.

The order was made by Kevin Dineen, the Council's summer after the county council, the Nature Conservancy and the Council for the Protection of Rural England had expressed concern at the prospect of the indigenous oaks being replaced by conifers.

Last week Mr J. C. Green, the owner of the 33-acre site, wrote to The Times stating that he had no intention of replacing the oaks, and that his management plan had been approved by the county council planning committee and by the National Trust, which owned property on the other side of the river.

## Cliff chapel to be saved by national park

By Our Planning Reporter

St Govan's chapel, built into a cleft in the spectacular cliffs near Bosherton, Dyfed, one of the great sights of Wales, is to be saved from decay by the Pembrokeshire Coast National Park authority.

The stone chapel is surrounded by legends and can be reached only by a long flight of steps. No one knows when it was built. Some experts believe it dates back to the thirteenth century, while others say it was founded in the sixteenth century and built by St Govan's followers on the spot where he died in his cell in 586.

Who St Govan was is also a matter of conjecture and dispute, but majority opinion favours St Gobhan, abbot of Dairinis, in Wexford, Ireland, who came to Wales to save the descendants of his Welsh teacher.

## Equity to study new offer from BBC today

By Kenneth Gosling

A revised offer from the BBC will be considered today by the council of Equity, the actors' union, which rejected a two-tier offer last week.

The BBC proposed a 10 per cent increase for television work from February to April, increased to 15 per cent in May, lasting to April, 1982. Some variation in dates has been made in the new offer, which does not meet the union demand for an extra 2½ per cent.

Members meeting in London next Sunday will be asked to take industrial action failing a better offer. The BBC offer would raise the minimum rate from £125 to £141 a week.

## Correction

Increases mentioned in a report about bacon and butter yesterday referred to the EEC tax on food, not prices. Consequential price rises will be much smaller, and may not occur this week.

## Mortgage chief urges end to stamp duty on houses

By Rosemary Unsworth

Stamp duty on the conveyance of owner-occupied houses should be abolished in the March Budget, Mr Leonard Williams, chairman of the Building Societies Association, has said in a letter to Sir Geoffrey Howe, Chancellor of the Exchequer.

Mr Williams said the average house price was slightly above £25,000 and attracted a duty of £250. In London the average price was more than £30,000 and stamp duty cost more than £450.

Until recently stamp duty was payable only on more expensive houses but inflation had turned it in effect into a house purchase tax, "something which is at odds with the stated policy of this Government to encourage owner-occupation."

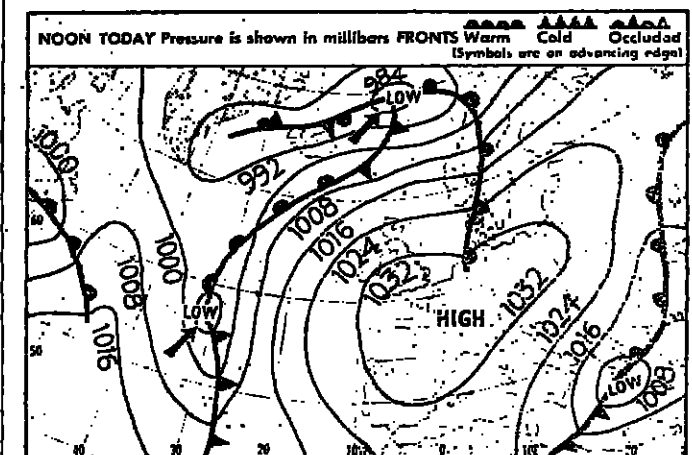
The letter added that when the level of which stamp duty starts was fixed at £15,000 in 1974, 16 per cent of houses mortgaged to building societies were subject to the duty. That proportion increased steadily until it reached 71 per cent in the fourth quarter of 1979, reflecting a doubling in house prices over the period.

Mr Williams said the increase in stamp duty thresholds in the last Budget was "very modest". The lower threshold now starts at £30,000. Of those who bought houses with the help of building society mortgages in the third quarter of 1980, 53 per cent paid £2,000 or more and therefore had to pay the duty, he said.

If the Government, which it is estimated will receive about £225m in 1980-81 from stamp duty on the conveyance of residential property, does not abolish the charge, the thresholds for its imposition should be stored to its 1974 level, which would reduce it to £33,000.

The association is also calling on the Chancellor to double the ceiling for mortgage loans eligible for tax relief to £50,000.

## Weather forecast and recordings



Today  
Sun rises: 7:46 am  
Moon sets: 4:41 pm  
Moon rises: 10:58 am  
Sun sets: 12:40 am

Last quarter: Tomorrow.  
Lighting up: 5:11 pm to 7:35 am.  
High water: London Bridge, 6:4 am, 6:31 pm, 6:35 pm, 6:38 pm.  
Avonmouth: 11:20 am, 11:11 am, 11:41 pm, 10:50 pm, Dover, 3:15 am, 6:11 am, 3:41 pm, 3:56 pm, Hull, 10:40 am, 6:30 pm, 10:51 pm, 6:56 pm, Liverpool, 3:31 am, 7:38 pm, 3:43 pm, 7:38 pm.  
1 ft = 0.3048 m. 1 m = 3.2808 ft.

A mild SW airstream covers the country.  
Forecast for 6 am to midnight:  
London, SE, E, NW and Central N England, E East Anglia, Midlands, Channel Islands: Dry, rather cloudy, perhaps a few bright intervals; wind SW, light; rain, S, sun, in show.

Outlook for tomorrow and Thursday: Mild, rather cloudy; sun mostly dry.  
Sea passages: S North Sea, Straits of Dover: Wind W, moderate; sea slight.  
English Channel (E), S:

WEATHER REPORTS YESTERDAY MIDDAY: c. cloud; f. fair; r. rain; s. sun; in show.

Abertillery	11.7	Loughmuck	11.5	Lancaster	11.5	Paris	11.5
Ammanford	11.7	Loughmuck	11.5	Lancaster	11.5	Paris	11.5
Ammanford	11.7	Loughmuck	11.5	Lancaster	11.5	Paris	11.5
Ammanford	11.7	Loughmuck	11.5	Lancaster	11.5	Paris	11.5
Ammanford	11.7	Loughmuck	11.5	Lancaster	11.5	Paris	11.5
Ammanford	11.7	Loughmuck	11.5	Lancaster	11.5	Paris	11.5
Ammanford	11.7	Loughmuck	11.5	Lancaster	11.5	Paris	11.5
Ammanford	11.7	Loughmuck	11.5	Lancaster	11.5	Paris	11.5
Ammanford	11.7	Loughmuck	11.5	Lancaster	11.5	Paris	11.5
Ammanford	11.7	Loughmuck	11.5	Lancaster	11.5	Paris	11.5

## Barnsley miners' grip on constituency party challenged

From Ronald Kershaw

The Union of Shop, Distributive and Allied Workers has asked the national officers of the Labour Party for an inquiry into the representation of Yorkshire branches of the National Union of Mineworkers on the general management committee of Barnsley constituency Labour Party, with particular reference to the NUM area headquarters branch.

The matter is being handled

by Mr David Hughes, national agent of the party.

The Barnsley Co-operative branch of Udwad filed the request after members expressed concern at the dramatic increase in the numbers of delegates from NUM branches which led to a takeover of virtually all key positions in the constituency party by left-wing miners' nominees, generally attributed to the tactical skill of Mr Arthur Scargill, the Yorkshire miners' president.

Udwad emphasizes that it does not allege any irregularity, but is merely asking for information about the number of affiliated members and the number of delegates representing them.

It would appear that the number of delegates attending management committee meetings are representing several hundred branch members from the headquarters branch. As fewer than 50 NUM members are employed at the area head-

quarters Udwad wants to know who the other members are.

Udwad is also concerned about the frequency and regularity of properly constituted meetings.

A spokesman said: "It was the area headquarters branch that moved a proposition which resulted in mandating Roy Mason, the MP for Barnsley, to support Michael Foot in the leadership election. We have had no information about the branch meeting that took this

decision. The headquarters branch is an unknown quantity and we just want things verified and clarified."

Mr Eric Illsey, treasurer of the Barnsley constituency Labour Party, who is employed at the NUM area headquarters, said last night that the headquarters branch was able to send delegates to the maximum number permitted from a branch to the constituency party management committee.



# More than you expect.



## The new Rover 2300.

Offers all the style, prestige and saloon/estate car versatility of the distinguished Rover range. With the new velour seats and cut pile carpeting in a new colour-harmonised interior. New, rich body colours with the latest anti-corrosion paint treatment. Twin speaker push-button radio. Integral door-open warning lights. Comprehensive illuminated controls and instruments.

**Top speed 114mph**  
**0-60 in 11.5 seconds**  
**32.9mpg at 56mph.**

## The new Rover 2300S.

The important newcomer to the range. Precision, power-assisted steering. Luxurious velvet upholstery with front seat lumbar supports. Central 5-door locking control. Stainless steel bumpers and wheel trims. Powerful 4-beam Halogen headlamps. Glove box and map lights. Full carpeting extended to the impressively large boot area. Four tasteful interior colour themes.

**Top speed 114mph**  
**0-60 in 11.5 seconds**  
**32.9mpg at 56mph.**

## The new Rover 2600S.

This model—as illustrated—exemplifies the high levels of comfort, luxury and refinement offered by the new Rovers. The 2600S has a steel sliding sun-roof. Windows are electrically operated: rear windows have a safety isolation switch. Self levelling rear suspension—characteristic of Rover's high design safety and engineering qualities—is fitted as standard. The new-ratio 5th gear provides even better fuel economy.

**Top speed 119mph**  
**0-60 in 10.7 seconds**  
**39.6mpg at 56mph.**

## The new Rover 3500SE.

Powered by the outstanding Rover aluminium V8 engine. Electronic ignition. Alloy wheels fitted with road-hugging wide section tyres. Twin Halogen front foglamps. A steel sun-roof. And a very distinguished level of appointment, including tinted glass all round, a distinctive coachline, rear seat belts and 4-speaker radio/stereo cassette entertainment.

**Top speed 126mph**  
**0-60 in 3.6 seconds**  
**36.3mpg at 56mph.**

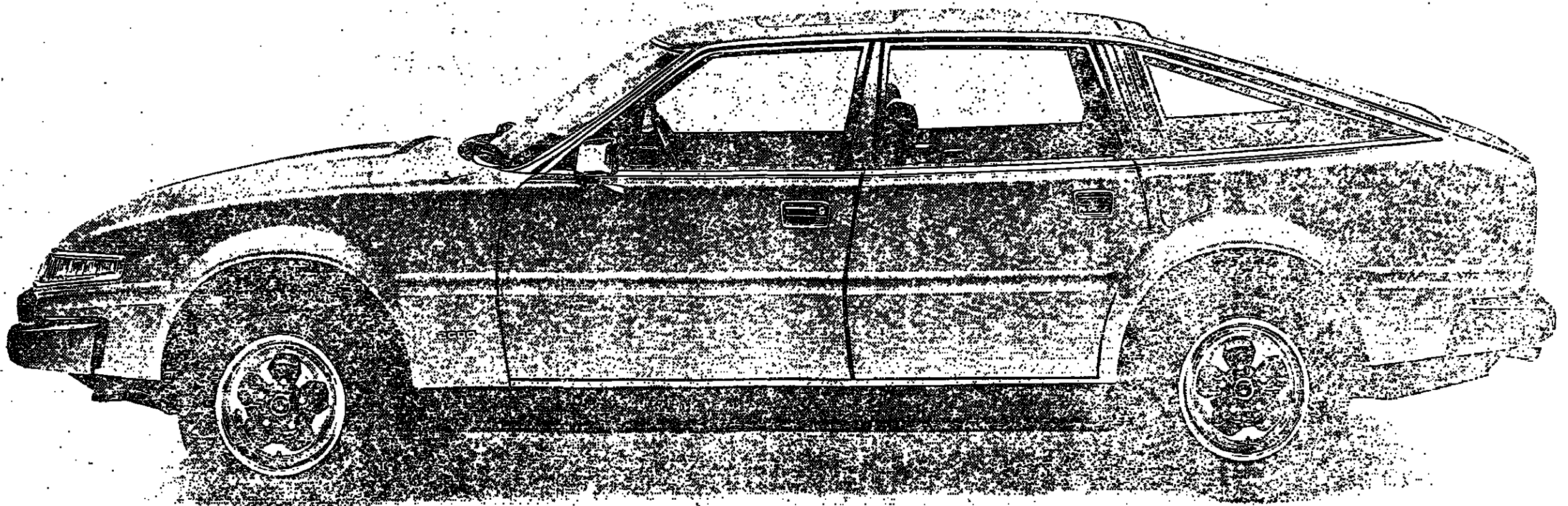
## The new Rover Vanden Plas.

The ultimate Rover. Equipped with electronic cruise control for relaxed, economic driving. Electrically operated steel sun-roof. Electrically adjusted and demisted door mirrors. Connolly leather or hairline velvet upholstery. Bronze tinted glass with special zone tinted windscreen. Exclusive bodyside anti-rub strip. Power-washed headlamps. A smooth automatic gearbox. Head restraints front and rear.

**Top speed 123mph**  
**0-60 in 9.0 seconds**  
**31.5mpg at 56mph.**

# For less than you expect.

Prices from £6758.64\*



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Govt. Fuel Consumption Fig. - mpg: 1.100 (km). Rover 2300 and 2300S 4-speed, Urban 17.5 (16.1), 56 mph (90 km/h); 32.9 (38.6), 75 mph (120 km/h); 27.4 (30.3). 2300 and 2300S with optional 5th gear: Urban 18.1 (15.5), 55 mph (89 km/h); 36.1 (41.7), 75 mph (120 km/h); 31.5 (35.4), 75 mph (120 km/h); 25.5 (28.2). Performance figs - 0-100 in seconds: 11.5 (11.5), 10.7 (10.7), 3.6 (3.6), 9.0 (9.0). Vanden Plas (automatic) Urban 19.1 (14.8), 55 mph (90 km/h); 35.6 (38.6), 75 mph (120 km/h); 25.5 (28.2). Performance figs - 0-100 in seconds: 11.5 (11.5), 10.7 (10.7), 3.6 (3.6), 9.0 (9.0). Check Yellow Pages for your nearest Rover Dealer. \*Rover prices: 2300 £6758.64, 2300S £7944.92, 2600S £8709.62, 3500SE £10788.92, Vanden Plas £12474.53. Prices inclusive of Car Tax and VAT. Delivery number plates and options extra. Prices correct at time of going to press.



HOME NEWS

# Little guidance for authorities in report on providing education for 16-to-19 age group

By Diana Geddes  
Education Correspondent

No single pattern of educational provision for 16 to 19-year-olds is generally preferable, the Macfarlane committee says in its report published yesterday. It recommends that every local authority be left to decide what provision to make in the light of its own circumstances.

The various options are rehearsed: school sixth forms; "consortia" arrangements between schools; 11-16 schools feeding sixth-form pupils into a single 11-18 school; separate sixth-form colleges, tertiary colleges; and further education colleges.

The weaknesses and strengths of each option are explored, but none is given the committee's firm stamp of approval.

Local authorities hoping for guidance will get very little from this report, which is a compromise between those wanting to retain school sixth forms and those favouring a tertiary or sixth-form college solution.

The committee, chaired by Mr Neil Macfarlane, Under-Secretary of State for Education and Science, was set up jointly by the Government and the local authority associations in 1979 to review educational provision for 16 to 19-year-olds in England and Wales.

The Association of Metro-

politan Authorities, which was represented on the committee, immediately condemned the report for having failed to do anything to help to provide a badly needed national policy of education and training related to industry, commerce, employment and unemployment.

"The blundered approach of the Macfarlane group prevented their looking at the context of education. That is more than a pity; it is a scandal," Mrs Nicole Harrison, chairman of the AMA's education committee, said.

Mr Neil Macfarlane, MP, Labour's education spokesman, said that the report "consists mainly of pious platitudes that do nothing to help youngsters, to assist educators or to resolve the multiplying problems in educational, economic and technological needs".

The National Association of Head Teachers described it as the blandest document that has ever been produced by the Department of Education and Science.

Both the National Union of Teachers and the National Association of Schoolmasters and Union of Women Teachers appeared fairly relieved that the committee had refrained from coming out in favour of one particular solution. They both have a vested interest in the continuation of school sixth forms, and the early drafts of

the report had shown a bias in favour of the tertiary or sixth-form college "solution".

The only vestige of that original bias comes in a statement at the end of the report: "Some would say that educational merit, demography and financial constraints point inescapably to the adoption nationally of a break at 16."

"We think that there are indeed powerful arguments in favour of educating 16 to 19-year-olds in fairly large groups, and are clear that a scatter of small six forms offering an inadequate range of options at high cost must wherever possible be avoided."

"In some areas sixth-form or tertiary colleges may be the best solution both educationally and financially."

The report comments on the big differences in financial support for 16 to 19-year-olds ranging from full-time students on a Youth Opportunities Programme allowance of £23.50 a week to part-time students receiving £13.10 a week supplementary to their parents' (if 18 or over), while other full-time students usually receive nothing.

Education for 16 to 19-year-olds. (Publications) dispatch centre, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

# Whitehall brief: Defence community would fight to stop Mr Foot axing nuclear weapons

## Memory of 1940 may be behind devotion to the deterrent

By Peter Hennessy

After a weekend of witnessing the Labour Party's "Whitehall Brief" in public, it may seem perverse to focus on what a Foot Administration might do if it takes office after the next election.

But as the Ministry of Defence continues to explain in considerable detail to the Commons Select Committee on Defence the consequences of the Government's decision to build a third-generation nuclear missile, it is intriguing to speculate on what Whitehall will do if in the mid-1980s, it finds itself answering to the first British prime minister with a personal commitment to end the country's adherence to such weapons.

The Ministry has a firm rule that no contingency planning will be undertaken on how to handle a disaster in No 10, but if the order came to cancel Trident and bring the Polaris submarines back to Faslane for the last time, it would, of course, be obeyed.

Mr Michael Foot and his Cabinet committee on defence and overseas policy in, say, the autumn of 1983, would have three choices before them: 1. To carry on with Trident, which, at that point, would be costing between £700m and £800m a year;

2. To cancel Trident but allow the Polaris submarine squadron to remain on patrol until the end of its operational life in the mid-1990s;

3. To cancel Trident, call home Polaris boats, strip them of their missiles and convert them to hunter-killer submarines.

Should a Foot Cabinet opt for the second or third courses, its ministers would have a fight on their hands, for all the certainty that they would have in the end. For in the defence community there is a devotion to the idea of a British deterrent that goes deeper than mere reason would allow.

It peeps through the lines in the dry language of White Papers and statements to Parliament and surfaces in private conversations. For example, when asked how the Ministry of Defence would respond to a Secretary of State who arrived with the intention of dismantling the deterrent, an experienced figure replied: "Every gun in the place would be turned on him."

After a visit a few years ago to the leaky hut on a Cotswold hillside above Bath where Britain's missile-carrying submarines are designed (the scientists move blueprints to the dry corners when it rains, or they did in 1977), I remarked to a veteran of the

### Chronology of the strike force

1945 Air Ministry commissions work on jet aircraft to carry "special bombs".

1978 Callaghan ministerial group authorises two Whitehall working parties to consider Polaris replacement.

1979 Thatcher Cabinet committee opts for Trident, and Carter Administration agrees to extend Polaris sales agreement to cover it.

1980 Government announces Trident to replace Polaris in early 1990s at cost of £4,500m to £5,000m.

1981 Prime Minister and Secretary of State for Defence reaffirm commitment to Trident.

ron replaces V force as strategic nuclear deterrent.

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1981 Prime Minister and Secretary of State for Defence reaffirm commitment to Trident.

against a return of British summer "boffins" apply breaking the Luft one can read.

Aldermaston and Rensselaer, experts beneath the Chil brave young me substitute youth in submarines in the North Atlantic stands between a of allies and the the Channel port.

Whitehall would to using th sovereignty" arg it looked like los once and for al upsetting the I ally allies in the behind the decis on Trident as su the imperative.

Attlee's Cabinet when it decided British bomb to replace the V force, 1947-48 c crash programme the business" by life of Polaris to if it was still in missioning Britis produce some air air-launched miss the gap until a weapon could be L

# Relatives' rights confirmed

By a Staff Reporter

A legal victory which confirms the rights of the relatives of mental patients to question treatment and detention in psychiatric hospitals was announced yesterday by MIND, the mental health charity.

The case was heard in chambers by Sheffield County Court and the details came to light only yesterday. It concerns the father of a patient who refused to give his consent to his son's being committed to hospital on an indefinite detention order.

Mr James Gilling, aged 28, the son, was admitted to Whiteley Wood Clinic, Sheffield, on a one-month order for observation. The doctors said he was unmanageable and gave him two doses of electro-convulsive therapy. He refused to have any more.

Because he was difficult and the medical staff wanted to transfer him, if necessary, to a special hospital such as Broadmoor, they applied for an order under Section 26 of the Mental Health Act. They also wanted to treat him, which required his consent.

He was diagnosed as schizophrenic by his doctor and that was confirmed by a Broadmoor psychiatrist, who was willing to arrange for his transfer to Broadmoor. However, his father, as the nearest relative, had to give his consent to the Section 26 order.

Mr Frank Gilling refused. He was taken to court by the Sheffield social services department, which said that he had unreasonably refused to sign the order.

Mr Gilling was found last week not to have acted unreasonably in refusing to sign his son's detention order. Two independent psychiatrists said the son was now being peaceful and cooperative and had agreed to stay in hospital.

Mr Larry Gostin, deputy director of MIND, said the decision was a great advance and showed that the "nearest relative" safeguard in the Mental Health Act was not a paper tiger.

# Time limit for awaiting trial 'often broken'

By Peter Evans  
Home Affairs Correspondent

The eight-week limit during which Parliament has said people should be brought to trial is being broken repeatedly, the National Association for the Care and Resettlement of Offenders said yesterday. It was giving evidence to the House of Commons Select Committee on Home Affairs.

In 1979 only 54 per cent of people awaiting trial in custody were dealt with within eight weeks of committal. That was the limit set by the Courts Act, 1971, which directed that the trial should be held by then unless the Crown Court ordered differently. But there were no sanctions if the limit was exceeded.

A sample taken last year showed that 300 prisoners had been awaiting trial for more than six months and 700 for more than three months and up to six months.

"Particular hardship is caused to defendants who are remanded in custody in overcrowded conditions while awaiting trial, over 40 per cent of whom are later acquitted or given a non-custodial sentence."

To help to reduce waiting times, 50 judges from outside the South-east had agreed to sit in London for a time. More than 160 courts were being built.

The association said that in Scotland a person's trial had to be finished within 110 days of the committal, unless release from custody was granted.

One way to reduce the prison population would be to have a waiting list. Under such a scheme offenders likely to be dangerous to the public would be taken in immediately. But people such as fine defaulters or maintenance defaulters would wait their turn. This sort of system was operating in Holland.

# Jobless benefit at lowest value for nine years

By Pat Healy  
Social Services Correspondent

Sickness and unemployment benefits reached their lowest value in real terms since September, 1971, when they were increased last November. That is shown in the 1980 edition of Social Security Statistics, published by the Department of Health and Social Security.

The fall in constant price terms was slightly less than the Government intended when short-term benefits were increased last November by 5 per cent less than the expected inflation rate. Figures in the new volume assume an inflation rate of 16.1 per cent between the November, 1979, and November, 1980, increases, 1 per cent more than the actual rate.

The corrected figures, to be given in a future issue, show that sickness and unemployment benefits for a single person were worth £19.65 a



Samantha Brown, aged five, of South Glamorgan, with her winning design for the Christmas second class stamp in the "Blue Peter" television contest.

# MPs defend disciplined scientist

By Frances Gibb

More than fifty MPs from all parties yesterday backed a call to the Prime Minister to intervene in the case of Mr Trevor Brown, a civil servant, who has been severely reprimanded by the Ministry of Defence for speaking on a television programme without permission.

Mr Brown, a senior scientist at the Atomic Weapons Research Establishment, Aldermaston, was disciplined last November for criticising safety standards at the establishment on a Newsnight programme last March called "Is Aldermaston Safe?"

In a letter yesterday to the Prime Minister, Mr David Alton, Liberal MP for Liverpool, Edge Hill, one of 51 MPs who have signed an early day motion calling for the reprimand to be withdrawn, says an independent inquiry should be set up into the case.

"I thought that the Conservative Party and your Government stood for a more effective Civil Service," Mr Alton writes. "Yet you are letting a man be penalised for trying to protect the public interest."

The letter points out that as Mr Brown was speaking as a local county councillor representing his constituents' interests, the case calls for

# Man held boy down in pool, jury told

A man who forced his stepson, aged two and a half, to stay in a swimming pool for 90 minutes had ill-treated the child, a jury was told at Leeds Crown Court yesterday.

The child died later the same day, but Mr Gavin Barr-Young, for the prosecution, said: "There is no suggestion by the prosecution that this man had done anything approaching killing the child or anything like that. What the prosecution say is that he ill-treated this child."

Steven James Greenwood, aged 28, of Town Street, Staningley, Leeds, pleaded not guilty to wilfully ill-treating or exposing his stepson, Terence, in a manner likely to cause unnecessary suffering or injury.

Counsel said: "Some pool attendants became concerned at Greenwood's conduct. The child appeared to be distressed and was crying, and Greenwood was repeatedly submerging the child, holding the child's head under water."

At the end of the 90 minutes the child was completely exhausted, he added. He was taken to the grandmother's home, where he became unconscious. The boy died later that day.

The trial continues today.

# Redundant clothing w go back as a coopera

By David Nicholson-Lord

Twenty-five workers at an East Anglian clothing factory were back at their machines yesterday, three days after losing their jobs and collecting redundancy payments of up to £1,000 each.

The 25, who were among 70 workers made redundant last Friday at the Maxwell Kiddie Clothes factory at Huntingdon, Cambridgeshire, have formed a cooperative of "outdoor workers" on contract to manufacturers.

Thanks to their former employer, they have secured their first order as well as the use of the company's premises and machinery, on loan to them at a peppercorn rent until the lease expires at the end of March.

As pop music from a radio blared out over the clatter of sewing machines, Mr John White, one of the group's leaders, said: "It was either this or going on the dole. It was a case of getting off our backsides and doing something about it."

Mr White, who formerly earned about £11 a cutter, added: "I was taking away work we are doing going to put it in the next few weeks. He is secretary committee set up pany announced that they were planning to form pany."

Mr White: orders were diff this time of year the atmosphere. He added: "Ob he hard for us if we can manag nine months we a chance of suc

# MP demands inquiry into school beatings allegation

By Michael Horsnell

Teachers at a secondary school in Liverpool are administering 1,800 beatings a year to pupils, according to the Society of Teachers Opposed to Physical Punishment (Stopp).

Mr Andrew Bennett, Labour MP for Stockport, North, has called for a government inquiry into the punishment record at Litherland High School, Sefton.

Mr Bennett, who has tabled questions to Mr Mark Carlisle, Secretary of State for Education and Science, said: "It seems that the information supplied to Stopp is correct. It is an appalling situation which must be looked into."

Details of corporal punishments at the school were photocopied by Mr Alan Corkish, aged 36, an English teacher, who informed the headmaster of what he had done.

Mr Corkish, who still teaches at the school, had been told by Mr Keith Robinson, chief education officer of Sefton, to attend a governors' meeting next month. His conduct could lead to disciplinary action, Mr Robinson said.

The report said that the school recorded more beatings than any other whose statistics have been published.

In two weeks last year, Stopp says, there were 89 instances of corporal punishment among 400 boys aged between 12 and 15. The punishment, administered by a slipper, were for offences which included internal truancy and bullying and vandalism, but most were for minor misdemeanours.

Both Mr Eric Colley, the headmaster, and the local education authority refused to comment yesterday.

Mr Corkish said: "When I realized that the corporal punishment record of the school was three times as bad as the national average, I thought it was time I should do something about it. I could not get any meaningful discussion going between the staff, headmaster and governors, despite several tries. Then I contacted Stopp and found how bad the figures were compared with other schools."

# Battlefields to be restored in £2m trust appeal

From Our Correspondent Glasgow

The National Trust for Scotland launched a golden jubilee appeal for £2m yesterday for the continuance and expansion of its work to preserve Scotland's heritage.

Lord Bute, the chairman of the trust, said in Glasgow that £500,000 had been given, promised or lent on favourable terms.

It is understood that part of the income will be used to help to restore two Scottish battlefields, Bannockburn, where Robert the Bruce is honoured for his victory to secure Scottish independence in 1314, and Colinton, where the battle to decide the fate of the House of Stuart was fought in 1746.

The Clydesdale Bank, which is said to be keenly interested in the Bannockburn project, has promised "a very considerable sum" towards the development and the Scottish Tourist Board is believed to be considering committing more than £100,000.

# Help the families of young offenders, society urges

The Church of England Children's Society yesterday urged the Government to eradicate the weakness in methods of dealing with juvenile delinquency by paying more attention to offenders' families.

Of the 1980 White Paper, Young Offenders, the society says, "the weakness of the proposals for orders for removal from home for youngsters lies in their neglect of the family, whose circumstances often lead to delinquency."

Children's difficulties cannot be considered in isolation, Mr Donald Bowie, the society's director, says. "Is it surprising that recidivism is so high when children are placed in borstals, and then returned to exactly the environment in which the original offences were committed?"

The society says: "Help and guidance and support for families is vital in reducing delinquency." It welcomes the Government's intention of making custodial sentences of a fixed length for

# Public inquiry urged on Ulster murders

From Craig Seton Belfast

Mr Humphrey Atkins, Secretary of State for Northern Ireland, who was snubbed at the funeral of Sir Norman Strang and his son, the IRA victims, yesterday came under more pressure from Unionists over border security.

Mr William Bleakes, secretary of the Official Unionists' District Councils Association, called for a public inquiry into the murder last Wednesday of Sir Norman and his son, Mr James Strang, at Tynan Abbey, Co Armagh, close to the border with the Republic. He said: "We expect the Government to protect the citizens of this province."

Last night an Official Unionist councillor was trying to put a motion before Larne council urging that it should boycott official visits to its district by Mr Atkins.

Death threat: The Official Unionist candidate in a Belfast City Council by-election tomorrow has withdrawn from the contest after receiving a live bullet and a death threat letter at his home.

Mr David Smylie, aged 57, a shipyard worker, found the bullet and letter warning him to "pull out" in an envelope pushed through his letterbox. He said he would get out of politics altogether.

Firemen injured: Two firemen were slightly injured near Belfast city centre yesterday after three armed men had planted bombs in a wholesale store.

After the building had been evacuated the first bomb exploded. Firemen were caught by the second blast. An army bomb disposal team defused the third device.

# Mackerel plea by fishermen

Cornish fishermen's leaders yesterday criticized a Whitehall decision to allow fishing for immature mackerel to continue. They say that stocks are being overfished and want the season to finish early this year.

A spokesman for the Ministry of Agriculture, Food and Fisheries said yesterday: "The South-west mackerel fishery is not being closed in the immediate future because our latest scientific evidence shows that this is not necessary."

# Scots Act aims to stop weapon-carrying

From Ronald Faux Edinburgh

No acceptable behaviour would be restricted by the Criminal Justice (Scotland) Act, which comes into force on February 1, Lord Mackay of Clashfern, the Lord Advocate, said at a press conference in Edinburgh yesterday. The Act gives greater powers to the police to search suspects and to control alcohol at sporting events.

It was hoped that the Act would provide a better and more secure society for everyone, Lord Mackay said. The new power for the police to search for offensive weapons was aimed at breaking the weapon-carrying habit among some young people.

Provisional figures showed that 32 of 80 victims of homicide in 1979 were killed by sharp instruments.

Lord Mackay said: "We hope that the judicious exercise of this new power by the police will help to stamp out the weapon-carrying habit and forestall the most serious consequences of some of these acts." The control of alcohol at football matches and other sporting events would reduce the amount of rowdy and disorderly behaviour, he said. "We hope it will make Saturday afternoons more enjoyable for everyone involved."

He dismissed fears that the police would store information on people suspected of an offence and subsequently released; he felt that would be done only in the case of convicted criminals.

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## HOME NEWS

# European commission rejects Liberal view of British poll system

By Lucy Hodges

The case brought by the Liberal Party alleging that the British electoral system contravenes the European Convention on Human Rights has been rejected, it was disclosed yesterday.

The European Commission of Human Rights decided at its last session that the case should be declared "inadmissible", that is, that there was no prima facie case. It has not yet given its reasons but it is well known that the commission did not view the case with favour.

The Liberals were arguing that the first-past-the-post system for British elections causes discrimination against a political minority. The commission is believed to have viewed that as a highly political case of the kind which should be decided by the country itself and not by an outside body.

None of the cases that have gone to the commission to date has been declared inadmissible, the first hurdle in the commission's lengthy procedure.

At its last session the commission decided to pursue a complaint brought by Mr Denis

## Don would welcome an inquiry on leak charge

By John Withrow

A Cambridge don branded as a "traditionalist" in a dispute within the English faculty said yesterday that he would welcome a university investigation into allegations that he and others had leaked accounts of confidential meetings.

Dr John Harvey, of Emmanuel College, was responding to reports that his opponents within the faculty, at present divided by its most bitter dispute for 50 years, intended to ask for an investigation by the university's ancient court, the Septem Viri.

Consisting of seven distinguished dons, the Septem Viri can investigate allegations that members have broken accepted confidentiality about faculty board meetings and, if necessary, can take disciplinary action.

The dispute centres on the refusal of the faculty's appointment committee to give a permanent position to Colin McCabe, an assistant lecturer in the department for five years, after he had twice been recommended.

Supporters of Dr McCabe see the refusal to promote him as a move by the more traditional dons to prevent the spread of an approach to English literature known as structuralism.

Dr Harvey has denied those allegations and claimed that the feeling among the dons was that Dr McCabe was denied a permanent post because of his teaching abilities.

Dr Stephen Heath, a supporter of Dr McCabe, who has called for a debate on the subject in the Senate, yesterday denied a newspaper report that he had instructed a lawyer to prepare a libel action against Dr Harvey.

## Housing body decision day

By Our Social Services Correspondent

The future of the Family Housing Association, whose affairs have been in effect frozen by the Government because of a £500,000 deficit, is expected to be decided today.

The supervision panel and board of the Housing Corporation discussed the association's affairs yesterday amid fears that recommendations from a special manager appointed by the corporation would be ignored.

The Association's difficulties arise from a moratorium imposed on its building programme by the Department of the Environment and the corporation in 1978, which remained in force for nine months.

Last September a new grant of £350,000 was agreed to prevent the association from going into liquidation, and Mr Ian Watts was appointed by the corporation as special manager to investigate its affairs.

Mr Watts is believed to have recommended that the Association should be allowed to retain a smaller housing development programme, producing about 50 units a year.

## Food chemical hazard unresolved

By Hugh Clayton

Government scientists did not know if a chemical flavouring found to cause illness in rats was still being used in food processing, the Ministry of Agriculture, Fisheries and Food said yesterday.

The substance, versalide, which was stated by the ministry last year to have been associated with nervous disorders in rats which lead to weakness and lack of coordination in the limbs.

The ministry was then supplying information for an inquiry about flavourings by a select committee of the Lords. It had asked for information after hearing from Dr Fisher, a principal scientific officer on the food standards committee of the ministry, that versalide was a chemical about which "there have been toxicological doubts expressed".

The ministry said that government scientists had been told in 1976 that versalide was used in some processed desserts, sugar confectionery and baked goods. The substance was examined then by the toxicity subcommittee of the Government's committee on medical aspects of chemicals in food.

The subcommittee said that further research was necessary.

## Daunting challenge faces new Merseyside organization

### Bringing dead dockland to life

Mr Basil Bean, chief executive of the embryo Merseyside Development Corporation, looked out of his office window on to a stretch of disused dock buildings and an even larger stretch of mud and asked: "What do you suggest we can do to bring life back to the river?"

Mr Bean, aged 48, lately General Manager of the Northampton Development Corporation and with a long background of local government administration, obviously has his own ideas.

His organization, due to become "legal" in March, has the daunting challenge of restoring prosperity (regeneration is the official word) to the almost moribund dockland areas between the Dingle and Bootle on the east side of the river and around Wallasey and Birkenhead on the west bank.

The west bank used to be called the Cheshire or the Wirral side, before some people occasionally referred to as bureaucrats altered the labels in those parts.

The Merseyside Development Corporation (there is only one other of its kind, dealing with an area known vaguely to northerners as London Dockland) should have been legalized by now, but a hybrid Bill still has to go through various parliamentary stages.

Mr Bean must carry on in his temporary offices with a small staff until the Bill is passed, when he will be allowed to recruit between 50 to 60 people, including experts in their fields, with the usual

## Regional report

### John Chartres

#### Liverpool

secretarial and administrative support.

The creation of the development corporation caused a little sucking of teeth and clicking of tongues among the established local authorities on Merseyside which saw it as being superimposed on their existing powers.

Mr Bean believes much of that resentment has melted, particularly since Sir Kenneth Thompson, chairman of Merseyside County Council, accepted the shadow post of vice-chairman of the corporation, with Mr Leslie Young, chairman of J. Bibby and Sons, taking on the chairmanship.

The tasks facing the corporation are formidable. The South Dock area on the Liverpool side of the river has become more derelict and depressing since the Mersey Docks and Harbour Company stopped commercial operations 15 years ago.

The complex of docks, shipyards, warehouses, retail and non-retail units on the Wirral side between Birkenhead and Wallasey poses big difficulties in terms of roadworks, bridges and access since there always seems to be a bit of the River Mersey in the way of every lorry or car driver wanting to move around there and do business.

## In brief

### Blue asbestos fine on council

Buckinghamshire County Council was fined £800 yesterday at High Wycombe Magistrate's Court for failing to take precautions in handling blue asbestos, which is liable to cause cancer.

The asbestos had been used to insulate pipework in the kiln boiler room at Buckinghamshire College of Further Education, High Wycombe, it was stated.

Mr Raymond Johnson-Smith, a technician, had worked on the pipes without protective equipment to prevent inhalation, the prosecution said. The county council admitted a breach of the Health and Safety at Work Act.

### Court reduces sentence

Graham George Sheehan, who was given a two-year jail sentence a year ago for his alleged part in a raid on the country home of Lord Carrington, the Foreign Secretary, was cleared of burglary by the Court of Appeal yesterday.

Mr Sheehan, a labourer, of Chinnor Road, Thame, Oxfordshire, had a conviction of burglary and a 21-month jail sentence substituted by Lord Justice Shaw, sitting with Mr Justice Bristow and Mr Justice Hodgson.

### Noose girl dies

Claire Taylor, aged four, of Scawthorpe, Doncaster, South Yorkshire, who was found dangling unconscious in a ribbon "noose" after she slipped from a chair while making a garden swing, died in hospital yesterday.

### £100,000 raid

Four masked and armed raiders escaped with more than £100,000 after threatening security guards outside a Co-operative store in Slade Green, Kent, yesterday.

### Postmen for trial

Two postmen and four postal workers at Marylebone, accused of conspiring to steal mail, were sent for trial at Marlborough Street Magistrates' Court yesterday on bail for trial at Knightsbridge Crown Court. They are further charged with stealing a postal packet.

### Royal nursery pupil

Peter Phillips, aged three, Princess Anne's son, yesterday joined 24 village children for his first full week at nursery school at Minchinhampton Gloucestershire, near the royal estate at Gatcombe Park.

### Footballer fined

Frank Worthington, aged 32, the Birmingham City footballer, was fined £75 by magistrates at Cannock, Staffordshire, yesterday, for speeding.

### Radio job for Mrs Foot

Miss Jill Craigie, wife of Mr Michael Foot, the Opposition Leader, is to become a political commentator with Capital Radio in London.

## Rhine pollution discussed by ministers

The Hague, Jan 26.—Ministers from five countries met in Holland today to discuss pollution of the Rhine by French potash mines.

The one-day conference in The Hague suburb of Wassenaar was devoted to problems caused by the discharge of salt wastes by state-owned mines in Alsace, Dutch officials said.

French government has withdrawn from Parliament a Bill ratifying a 1976 treaty under which the five states through which the river flows agreed to a "stage-by-stage" reduction in the amount of salt and other substances dumped in the 1,300km-long river. It said the legislation would not obtain a parliamentary majority.

The ministers were expected to ask an international commission to explore several possible methods of disposing of the potash waste, conference organizers said. The Netherlands, France, West Germany, Switzerland and Luxembourg were represented.

Among the methods discussed were: injecting the waste by barge to the North Sea; for dumping; setting up a salt factory in Alsace; and depositing the waste in disused parts of the mines.

Dutch market gardeners have brought a court case against the French mines, contending that 20m kilograms (44m lb) of waste salt a day are pumped into the Rhine from Alsace.

In December, 1979 the Dutch Government, annoyed at France's non-ratification of the 1976 treaty, took the unprecedented step of temporarily recalling its Ambassador from Paris in protest.—Reuters.

### Other home news page 8

## WEST EUROPE

# Revolt on defence strains Bonn coalition

From Patricia Clough Bonn, Jan 26

Herr Helmut Schmidt, the West German Chancellor, is facing fresh trouble from the heels of last week's political crisis in West Berlin with a rebellion by 24 deputies in his Social Democrat Party in Bonn over defence.

The new difficulties come on top of strains and rifts which have been increasing in the SPD-Free Democrat coalition since its election victory on October 5.

The 24 deputies have caused embarrassment to the Government by presenting a resolution to the SPD parliamentary party demanding that defence spending be cut by 1,000m marks (£210m) and that the money be used for development aid.

According to Herr Herbert Wehner, the SPD floor leader, the move is linked with efforts to obtain a withdrawal of Bonn's approval of the dual NATO resolution to station new medium-range nuclear missiles in Europe and to negotiate with the Soviet Union on reducing the number of such weapons.

Some SPD members maintain that the party's consent was given on the understanding that the United States would approve the Salt 2 treaty, which it has not.

The resolution strikes at the Government's whole defence policy and, since conservative American circles are highly sensitive to suggestions of



Herr Schmidt ponders over the latest crisis to affect his troubled coalition.

Minister, has the unenviable task of cleaning up a party discredited by scandals, and winning the elections against competition from an eminent and highly-respected liberal

Christian Democrat, Herr Richard von Wiesecker. But he has little time to show results before the elections, which appear likely to be held in the early summer, and

further evidence of SPD maladministration may well appear by then.

The acceptance of Herr Vogel by Berlin's House of Representatives on Friday has given Herr Schmidt a breathing space until the city's elections. But the malaise in the coalition, which came to the surface again in Berlin, continues.

Things have not gone well since the Free Democrats increased their share of the vote in the October elections and insisted on correspondingly greater influence in the coalition while the Social Democrats resented giving way. Differences have arisen on a number of issues and in Berlin some Free Democrats were not averse to switching over to join the Christian Democrats. But although they have the power to bring about a change of government and may secretly be tempted to do so, the Free Democrat leaders are not prepared to move.

They point out that their votes at the election came largely from people who wanted them to continue in the coalition as a moderating influence. They have committed themselves and will not pull out unless the SPD made government impossible and the public clearly demanded a change.

Such a crisis is not inconceivable. The rebellion over defence is a sign that some SPD members, at least, are not prepared to go along with compromises they feel they cannot support.

## 232 arrest warrants for Mafia nets 123

From John Earle Rome, Jan 26

In a nationwide operation 123 alleged members of 19 Mafia gangs operating along the west coast of Calabria were arrested at dawn today. They were accused of conspiracy, extortion and undertaking protection rackets in southern Italy, which is second only to Sicily as home of the Mafia or the *Ndrangheta* as it is called in the Calabrian dialect.

Carabinieri carried out the arrests in towns as far north as Turin and San Remo. Altogether 232 arrest warrants were issued, but none of those involved are already in prison on other charges, while the rest are being sought.

Among those held is Signorina Concetta Rotura, a companion of Signor Michelangelo Prestigiacco, head of a gang of a gang who has been wanted for 25 years but never found.

Specific charges against the purported members of two other gangs include the murder of the local communist Party secretary at Rosarno near the new industrial area of Gioia Tauro, and a series of kidnappings in Rome, Milan and Genoa.

The authorities evidently hope to break the back of the Mafia in the province of Reggio Calabria, but previous experience from large-scale crackdowns in the south of Italy suggests that the effect is likely to be temporary.

## French Communists switch tactics to fight election on two fronts

From Charles Hargrove Paris, Jan 26

Since the breakdown of the left alliance three years ago, the Communist Party's enemy number one has been M. Francois Mitterrand, the Socialist leader, and his party—all that changed last week.

The Communist objective had been to topple the Socialists winning at the polls—at whatever costs, even if that meant keeping President Giscard d'Estaing and the "reactionary policy of big capital" in power.

M. Georges Marchais, the Communist leader, could have applied been described as the President's most valuable ally in the coming presidential contest—this despite M. Marchais's claim—when he put himself forward for his party's candidate for the Elysée, that he represented the only genuinely "anti-Giscard" candidate in the lists.

M. Marchais had solemnly proclaimed that while other candidates for the presidency were indulging in an undignified campaign of personalities and scandals, including the Bokassa diamonds and the suicide of M. Robert Boulin, the former Labour Minister, he would insist, as he said last October, on a rational debate about issues in a dignified atmosphere.

However, last week the Communist leader switched tactics and began gunning for the

President with a personal virulence which hitherto had been the hallmark of Mitterrand's sharp ironical cut and thrust manner.

M. Marchais had once affected to scorn such tactics as unworthy of his party and himself. Then he deemed it unnecessary to resort to "personal attacks as a weapon of political combat".

Now the President seems to have taken over from Mitterrand as the French Communist Party's pet hate. This impression is strengthened by the fact that on the very same day when he lashed out at M. Giscard d'Estaing, M. Marchais—after a meeting in Rennes—declared: "Is my enemy the Socialist Party? No, absolutely not. My enemy is the policy of unemployment, of austerity for the workers, of restrictions of freedoms."

"Enough of this President without scruple who does not even shrink from the benefits for a family, of whose members have built their careers and their fortunes on the frontiers of politics and finance, in that world of money where no title of nobility ever confers nobility of heart or mind," he said.

"Why this sudden change of tactics? The explanation that it was triggered off by the recent decision of the Conseil d'Etat

against the door-to-door canvassing of support for the party in some Communist municipalities, Paris was not quite satisfying.

The reason lies deeper. The strategy of the French Communist Party in the past couple of years has never been simple. To gun for the Socialists while pretending to demolish the right has taken some doing.

There have been signs that it has not been overly successful. As one commentator aptly put it, people find it hard to understand how M. Mitterrand, who is in opposition, can be more to blame than President Giscard d'Estaing for all the alleged woes.

The series of by-elections last autumn, showed that the Communist leadership's anti-socialist line was on the whole not appreciated and not obeyed; and opinion polls have confirmed this analysis.

M. Marchais therefore decided to adjust his tactics.

But this does not mean that M. Marchais is any keener to see M. Mitterrand installed in the Elysée Palace in place of President Giscard d'Estaing.

The Communist Party, under his inspiration, wants to be both in the van of the battle against the one, while effectively blocking the ambitions of the other.

Its aim is to ensure that the Communists emerge in the long run as the strongest party of the left, which it is not at present.

The party does not want to be the fifth wheel of a Socialist Government, which would incur the inevitable odium of having promised the moon and proving unable to deliver it.

In the meantime, M. Marchais wages war on two fronts. He responds to the grass roots sentiment in his own party by indulging in personal attacks against the president, but at the same time, he effectively frightens away Gaullists and middle of the road voters whom M. Mitterrand needs if he is to have any chance of winning by resurrecting the threat that if the left should triumph, his party would demand its share of the spoils and is ready to shoulder responsibility in a Socialist Government.



Elysée rivals: M. Mitterrand (left), the Socialist leader, and the unpredictable M. Marchais, the Communist leader.

## Community assures Spain that entry date stands

From Michael Horsely Brussels, Jan 26

Mr Gaston Thorn, President of the European Commission, today assured Spain's Prime Minister, Sr. Adolfo Suarez, that the Community was still aiming at January 1, 1984, as the date for Spain's entry.

Mr Gaston Thorn recently ruffled feathers in Madrid by stating that the timing of Spanish entry would depend on how quickly the EEC completed the internal financial reforms on which it is to embark later this year.

It is not clear what Mr Thorn's pledge is worth since the pace of entry negotiations with both Spain and its neighbour Portugal will be determined essentially by EEC member states, among whom France is adamantly opposed to Spanish entry before completion of the internal reforms.

Mr Thorn also told Sr. Suarez that the EEC would try to clear the easier negotiating

obstacles out of the way by the end of the summer, leaving the most difficult issues, such as agriculture, fisheries, removal of industrial tariffs and fiscal questions to be tackled later.

In a separate meeting with Viscount Etienne Davignon, the EEC Commissioner in charge of industry, Sr. Suarez offered to reduce Spain's steel exports to the Community by 15 per cent this year.

A condition of this offer, however, was that the EEC should also reduce its steel exports to Spain. Spanish steel sales to the Community have been running well above the voluntary limits.

Mr Thorn's pledge is worth since the pace of entry negotiations with both Spain and its neighbour Portugal will be determined essentially by EEC member states, among whom France is adamantly opposed to Spanish entry before completion of the internal reforms.

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## Scientists working on spy satellites for UN

Paris, Jan 26.—A little-known group of space scientists have been working here for the past two years on France's proposal to the United Nations General Assembly in 1978, to "police" the world with spy satellites monitoring troop movements and war preparations.

The basic idea is that, just as the United Nations has sent military contingents to such trouble spots as Katanga, Cyprus, Lebanon and Egypt, it should undertake similar missions with "spy satellites".

Both the United States and the Soviet Union have their own satellite surveillance system, photographing military and economic installations, but this information remains a secret in Washington and Moscow.

In May, 1978, France drew up a proposal under which there would be an international satellite control system operated by the United Nations. In December of that year the General Assembly adopted by

113 votes to nil, with 13 abstentions, a resolution urging that a group of government experts should study ways of creating such a system.

This group, presided over by a French military specialist, M. Hubert Bortzmeyer, is due to deliver its final report next week. It will then be debated in the General Assembly.

M. Hubert Curien, head of the National Centre of Space Studies, explained today that the system would have to be introduced by phases over "suspect areas" of the world.

In the second phase, the newly formed international agency would have to request its own special satellite communication wavelengths and make all the necessary arrangements with fellow-users. Finally, the agency would have to launch its own "spy" satellites.

The minimum cost of making the United Nations system operational would be an estimated £312m to £416m, Agence France-Presse.

## Driver's death by vandals stops Paris trains

From Ian Murray Paris, Jan 26

All trains serving the northern suburbs of Paris were stopped today by a strike called after a driver was killed on Saturday evening by a chunk of concrete deliberately thrown from a road bridge over the tracks near Aubervilliers.

The strike was a spontaneous act by railwaymen working on the network who have been increasingly alarmed in recent months by the growing incidence of vandalism against trains.

In one case a driver just had time to fling himself to the floor when he saw a piece of concrete dangling from a wire at the level of his cabin window as the train emerged from a tunnel. The concrete smashed into the cab as the train was travelling at nearly 60 mph.

The weekend's more serious accident could have been caused in a similar way. The train, which links Paris with Charles de Gaulle airport, was travelling at nearly 80 mph when the concrete smashed the

windscreen, causing the driver fatal injuries. The train itself slowed and stopped when the driver released his hold on the "dead man's handle".

In 1979 there were 741 acts of vandalism reported on French railways, and last year the number rose to more than a thousand, according to returns so far.

The attacks have included several by snipers, using rifles, as well as large numbers of stone-throwing incidents involving children.

Last May a group of four boys put several blocks of concrete on the tracks of France's experimental high speed train "to see what the effect would be" when it hit them at 100 mph. Fortunately, the concrete was simply ground to powder.

The Paris Metro service was slightly disrupted today by a strike called in protest at a new signalling system, which the unions claim has caused several accidents, including one last week which killed a young woman.

## Searchers find five bodies from Greek ship

Bodo, Norway, Jan 26.—Five bodies were recovered from empty dinghies and the sea today near where the 29,689-ton Greek cargo ship *Deimos* sank yesterday.

Twenty-nine members of the crew were picked up by helicopters from lifeboats yesterday and, according to the rescue headquarters here, three crewmen are still missing. The search for other possible survivors continued near the island of Vega.



## OVERSEAS

## Solidarity leader tries to avert clash over farmers' dispute

Warsaw, Jan 26.—Mr Lech Walesa, the Solidarity leader, went to Rzeszow today in an effort to avert a clash between the Government and about 300 workers and farmers who continued a sit-in for the twenty-fourth day.

Meanwhile, a student protest in Lodz, south-west of Warsaw, is spreading. Students at the local university started an occupation strike several days ago and an estimated 1,000 students of the medical faculty followed suit with a sit-in last Friday.

They were demanding from the Government such concessions as abolition of compulsory classes in Marxist philosophy and economics. They also wanted a ban on police intervention to restore order at the university.

A spokesman for the Gdansk headquarters of Solidarity who reported Mr Walesa's departure, announced that the union's national coordinating commission would, for the first time, hold part of its meeting this week in Rzeszow.

The Warsaw branch of Solidarity unveiled plans for a general strike throughout the region on February 3 as part of a nationwide campaign to force the authorities to honour promises made to strikers last summer.

Both the union and the Government say they are ready to hold far-reaching talks on the whole range of their disputes, but by early afternoon today neither party had reported any schedule for negotiations.

The Politburo of the Communist Party met Mr Stanislaw Kanis, the party leader, today to review the general situation, a government spokesman said. "There is readiness for talks on the government side but no date has yet been fixed", the spokesman described him as a symbol for liberation and a fighter for world peace. (Reuters writes from Sao Paulo).

He told a press conference he had already nominated Mr Kanis to the Nobel committee in Oslo.

## French seek Nigerian support against Libya

From Ian Murray  
Paris, Jan 26

Chad and Libya will be the central topic discussed at a series of meetings arranged here this week for Mr Ishaya Adu, the Nigerian Foreign Minister. His official visit began today with a meeting with President Giscard d'Estaing.

Nigerian relations with France have been cool since Paris supported Biafra in the civil war over a decade ago. Nigeria has also been somewhat alarmed by what it considers to be continuing French imperialism.

The proposed merger between Chad and Libya has gone a long way towards smoothing relations again, with both France and Nigeria viewing the Libyan advance with equal concern. Nigeria, with its great oil reserves, is seen in France as a particularly stable nation in the area and of vital importance as a bastion against the expansionist ideas of President Gaddafi of Libya.

Like France, Nigeria wants to see the territorial integrity of Chad retained, although there are some reservations on the Nigerian side about the wisdom of France sending extra troops to Chad's neighbour.

## Afghan guerrilla groups increasingly divided

From Hasan Akhtar  
Islamabad, Jan 26

The differences among the various groups of Afghan guerrillas seem to be becoming sharper, at a time when they expect all the Islamic states and other nations opposed to Soviet expansionism to take effective steps to force the Soviet Union to withdraw from Afghanistan.

Today a leader of one of the Afghan groups accused the leaders of two others invited to the Islamic summit in Taif, Saudi Arabia, of being opposed to the Islamic character of the revolution in Afghanistan. Mr Qazi Muhammad Amin Waqad, chairman of the political committee of the extreme right-wing Hizb-E-Islami, Afghanisthan, even suggested that Mr Syed Ahmed Gijani, leader of National Islamic Front of Afghanistan and Sibghatullah Mujaddidi, leader of Afghan National Liberation, who are attending the Islamic summit, were influenced by pro-communist elements in Afghanistan.

Mr Qazi Waqad alleged that these two leaders were even responsible for misuse of aid to the Afghan refugees. He

with a decision by Solidarity's national consultative commission to make it a day of struggle for Rural Solidarity.

The Rzeszow farmers, who are spearheading the Rural Solidarity campaign, threatened further strikes would follow if the authorities still refused to budge.

The Supreme Court earlier this month suspended indefinitely a ruling on the legality of the farmers' union. The authorities say they are adamantly opposed to such an organisation.

Czechoslovakia's official press said today that Mr Walesa was "radicalized" by his recent trip to Rome, where he visited the Pope. *Rude Pravo*, the Communist Party daily, also renewed accusations that Solidarity was trying to disrupt Poland's economy and that the West was guilty of "gross interference" in the country.

In another barrage, Czechoslovakia's official news agency CTK said the Polish independent labour movement appeared to be seeking a "permanent situation" in the country.

French help: The French trade union organization Force Ouvrière plans to send two lorry loads of supplies to Solidarity (Agence France Presse writes from Paris).

The labourers with paper, ink, stencils, printing materials and International Labour Organization documents translated into Polish, will get under way as soon as the union has been granted the necessary entry and possibly as soon as tomorrow morning, Mr Andre Berseron, the union's secretary general, said.

Nobel nomination: Señor Adolfo Pérez Esquivel of Argentina, the 1980 Nobel peace prize laureate, today proposed Mr Lech Walesa for this year's prize, describing him as a symbol for liberation and a fighter for world peace. (Reuters writes from Sao Paulo).

He told a press conference he had already nominated Mr Kanis to the Nobel committee in Oslo.

## Hostage deal defended by Iranian Speaker

From Tony Alloway  
Tehran, Jan 26

An Iranian politician today confirmed reports of a split in the dominant Islamic Republican Party over the deal that freed the hostages.

Hojatolleslam Hashemi Rafsanjani, Speaker of the Parliament, was asked at his weekly press conference about a leading article in the party's newspaper *Islamic Republic*, which said that the biggest benefit of the crisis was the replacement of "liberals" by clergy in positions of power.

"Firstly, I should say that those who have written this... have themselves resigned after this development", he replied, without identifying them.

Mr Hassan Ayat, an extremist parliamentary deputy and a member of the IRP central council, was vehemently opposed to the settlement, but he did not appear to enjoy much support in the Parliament. The Speaker's statement indicated that the rift might go deeper into the wide coalition that makes up the IRP.

"He devoted most of his press conference to defending the terms of the hostage agreement against a rising chorus of protests. So did Mr Muhammad Ali Rajai, the Prime Minister, in a special speech to Parliament this morning."

In the Speaker's view, "the majority of people accept the deal... When we decided the hostages could no longer play a role in our policies, we brought an end to the issue."

Asked for his reaction if the United States repudiated the agreement, the Speaker said: "I do not think the Americans are so stupid as to destroy their credibility in relation to their own undertakings."

"Of course, we would not



West Point welcome and a rest for the returning American hostages as their buses reach the military academy

stand idly by. We also have friends who will give us power, and we shall also work against American interests in other places."

Despite the benefits Iran saw in the hostage affair, it would not be reversed, he said.

In Parliament Mr Rajai strongly defended the Government against what he described as two lines of criticism—those unhappy with the final terms and those totally against the hostage-taking itself.

He told the first group: "No other Government could have taken more undertakings from the United States than we did." The second group, Mr Rajai said, were simply, counter-

revolutionaries. "Those who say, in a word, that with the hostage-taking Iran became a hostage of the United States don't know the principles of revolution."

He acknowledged that only \$2,880m (£1,200m) of Iranian assets had been transferred so far to Iran, but said Iran had used most of the rest to repay loans and interest.

"This was good for us because, firstly, Iran could rid itself of loans imposed by the former regime and, secondly, Iran would not be obliged to pay interest sometimes as high as 22.5 per cent", he said. Severe problems: A dozen of the 52 freed hostages were suf-

fering severe, mostly psychological, problems after their 444 days of captivity, President Reagan was told today (David Cross writes from Washington).

At a briefing by Mr Alexander Haig, the Secretary of State Mr Reagan was also informed that most of the hostages wanted to get back to work as soon as possible. Reintegration in the work force was "extremely important to their mental health and their emotional well-being", Mr Haig said.

One of the "overwhelming concerns of the hostages was what the future would hold for their careers, Mr Haig said.

The hostages and the closest members of their families continued to relax today at the West Point military base near New York, out of sight of the television cameras.

A bomb exploded outside the Bank Mellé in San Francisco early today, shattering windows in the bank and those in another bank across the street. There were no injuries (AP writes from San Francisco).

A telephone call to news agencies said the bomb was set off by the Jewish Defence League because of "persecution of Iranian Jewry", but the league's director denied responsibility.

Embassy wives in Luanda bake their own bread to avoid food queues  
Plenty of fish in Angolan waters—for Russians

From Anthony Lewis  
Luanda

A drive around this sprawling city one morning makes a visitor immediately aware of Angola's No 1 problem: the distribution of food. There are queues outside the supermarkets waiting for the doors to open at 10 am; some have been there since the curfew ended at 6 am.

There is enough food in Luanda—no lack of money. But it is a time-consuming struggle to find this item or that, from day to day: bread, salt, soap, fruit. Embassy wives bake their own bread and grow their own vegetables to save the effort.

An American businessman with an interest in a factory here says his biggest problem is absenteeism. That is understandable, he explains. "To get food or clothes our employees have to stand in line. We are trying to help by arranging to have a store right at the plant."

Shortages are not unusual in developing countries. Next door in Zambia, which achieved independence from Britain peacefully more than 15 years ago, salt and soap are also hard to find. But Angola has a special and overwhelming reason for its problems: the way Portugal ran the place as a colony and left it in 1975.

The Portuguese were not just a thin top layer here, a colonial elite. They were the taxi-drivers, the secretaries, the waiters, and, crucially, the fishermen. Independent Angola has 300,000 Portuguese left, many of them in the fishing areas.

A big question on people's minds—and sometimes in their conversation—is the role here of the Soviet Union and its communist allies. The Soviet Union supplies most of Angola's weapons. Cuban forces came in 1975 to help what is now the governing party, the Popular Movement for the Liberation of Angola, and 17,000 Cuban soldiers are still here.

But apart from substantial Cuban aid in building apartment blocks and in supplying teachers, the communist countries contribute little on the economic side. Or, at least, that is the popular feeling. The fishing industry, the most visible Soviet economic activity—very visible—is taking from Angola rather than giving.

Soviet factory ships can be seen every day in the Atlantic, right off Luanda, and there is evident resentment at the vacuum-cleaner methods. "We have some of the best fishing

grounds in the world," an Angolan said, "but it is difficult to buy fish, and you know why."

Luanda is not exactly like other cities in sub-Saharan Africa in look and feeling. It is more nearly Mediterranean, doubtless reflecting the Portuguese influence here in south-western Africa.

It is a city of pastels and white. There are some tower blocks, put up in a false boom just before the Portuguese left.

The charm lies in such buildings as the National Bank of Angola, a long, low, fairy-tale structure in pink stucco with white columns, and trim and a central dome covered in red tiles.

The bank is on a palm-lined promenade that runs along the harbour front. Across the water is a sandy peninsula that contains one of Luanda's two operating hotels, the Panorama, and a mile away a shabby naval training station with a sign in Russian outside. The end of the peninsula is a beach. On Sundays it is crowded, and cafés offer drinks and ice-cream cones. Old foreign hands say the open cafés are a sign, one of many, that things are improving. New York Times News Service.

poing it might soon have to import wood for coffins.

A potentially rich country, it has oil and other minerals and good agricultural land, but organization and distribution are chaotic. The situation is said to be much worse in outlying areas than in Luanda.

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## Mr Dayan apologizes to blacks

Jerusalem, Jan 26.—Mr Moshe Dayan, the former Israeli Foreign Minister, today apologized to American black leaders for remarks implying that the United States Army was suffering because of its large numbers of "poorly educated blacks".

"Some real damage was done by his statement," Mr Bayard Rustin, a black leader, said after a half-hour meeting with Mr Dayan here.

Mr Dayan made the remarks recently in Israel on return from a trip to the United States. He said that the American Army did not have credibility because of the large number of poorly educated black volunteers who make up the army.

"I don't want a misunderstanding—least of all with you," Mr Dayan told the group of four black leaders.

Foreign Ministry officials said that Mr Dayan had meant to say that an effective deterrent force could not be based on volunteers alone, because the qualified and educated American youth were lured away from military service by better careers.

Mr Rustin said: "His clarification was satisfactory to us.... Of course we accepted this apology."—UPI.

## In brief

## Mugabe-Nkomo peace move

Salisbury, Jan 26.—Mr Robert Mugabe, the Zimbabwe Minister and Joshua Nkomo, the Patriotic Front (PF) party leader, held talks lasting 90 minutes today in an attempt to heal a growing rift between them over the January cabinet reshuffle in which Mr Nkomo was effectively demoted.

Mr Nkomo has denied any personal resentment over his demotion from the Home Affairs ministry but has warned

Undertakers missed  
Kuala Lumpur, Jan 26.—A wave of deaths from drinking Samsu, a home-made brew, has caused a problem at Kulim, 130 miles north of here. Among the 25 moonshine victims were all but one of the local undertakers.

Journalists freed  
Istanbul, Jan 26.—The Turkish authorities have released two senior journalists who work for the newspaper *Hurriyet*, but another is still detained. The journalists were held after a story about proposed price increases appeared.

Passenger ship adrift  
Jakarta, Jan 26.—An Indonesian passenger ship, *Tampomas*, is drifting in the Java Sea with nearly 1,000 people on board, but the fire which disabled it is apparently under control.

## Mozambique earns British thanks for Zimbabwe help

By David Spanfer  
Diplomatic Correspondent

The need to maintain pressure on South Africa in order to bring about a political settlement in Namibia was emphasised in a letter from the Foreign Minister to Lord Carrington, the Foreign Secretary, in London, yesterday.

Since the independence of Zimbabwe, relations between Britain and Mozambique have greatly improved. Lord Carrington expressed his special thanks to Mr Chissano for the support which Mozambique provided in the run-up to independence in Zimbabwe.

The present round of talks covers trade and economic development in which Mozambique is seeking to extend contacts with Britain. Today

Mr Chissano will call on Mrs Thatcher, the Prime Minister, and meet members of Parliament, including Lord Soames, former Governor of Rhodesia. Tomorrow he continues his official visit with a tour of the port of Liverpool.

So far as Namibia is concerned, the British Government remains committed to elections and independence, as laid down in the United Nations plan. But until the new American Administration has had time to study the question more fully, little progress is expected.

Lord Carrington, Parliamentary Under-Secretary at the Foreign Office, will visit Uganda between January 30 and February 4, it was announced yesterday. This will be the first ministerial contact with President Obote since his election.

## Cardinal Hume's parting shot at Nationality Bill

The Archbishop of Westminster, Cardinal Hume, who flew to West Germany yesterday, reaffirmed his opposition to the Nationality Bill before he left.

In a statement issued on Sunday, Cardinal Hume said that Catholic archbishops of England and Wales told Mr William Whitelaw, the Home Secretary, of their "grave misgivings" over the controversial Bill, which is due for its second reading in the Commons today.

At Heathrow Cardinal Hume said: "There is no doubt that the Bill is causing a lot of insecurity and worry among a number of people resident in this country. One can only hope that those responsible will take into consideration our statement."

The breadth and ambiguity of these terms of reference have been interpreted by government critics as being thinly disguised attempts by Mr Peter Booth's administration to use the Steyn Commission as a basis for imposing stricter controls on the South African press.

This view has been reinforced by a study of Mr Steyn's earlier report which received scant attention at the time it was published.

That document contained a clear suggestion that there should be a partnership between the Government and the press and that both should have a commitment to the Prime Minister's "total strategy"—the strategy whereby Mr Booth is trying to "convert" many South African individuals and institutions into supporting his ostensibly reformist and confederalist policies.

The report stated that the Government required a clear

## Food shortage in Kampala after price cuts ordered

From Our Correspondent  
Nairobi, Jan 26

Market vendors and small traders in Kampala had almost nothing to sell today, after government and party leaders had ordered them to reduce the prices of everyday items by as much as 80 per cent in an effort to control inflation.

The traders said they could not buy supplies to sell at these prices, because farmers were insisting on a realistic return for their produce.

Last week hundreds of small vendors and hawkers were rounded up by police, and their small stocks were confiscated. This and the subsequent order to cut selling prices had thrown the established distribution system into confusion, and city workers found it impossible to buy food today.

The Government of President Milton Obote has declared war on smuggling, black markets and corruption. But Ugandans say there is little point in declaring unrealistically low prices if this means that no food is placed on sale.

The new "official" prices reduce a bunch of plantains, the local staple diet, from 40 shillings to 75 shillings, while milk which has been selling at 30 shillings a half-litre packet is supposed to sell at three shillings.

The Uganda High Court is due to hear the first of a series of election petitions this week, filed by the opposition Democratic Party to challenge the results of last month's elections which brought the Uganda People's Congress to power.

## Decision on West Bank settlements upheld

From Moshe Brilliant  
Tel Aviv, Jan 26

The parliamentary foreign affairs and security committee, meeting in Jerusalem today, upheld a disputed Cabinet decision to establish three new Jewish settlements in the occupied West Bank. The settlements will be the seventh, eighth and ninth of the 10 Mr Begin, the Prime Minister, has said would complete his government's settlement programme.

The committee rejected an appeal by Professor Yigal Yadin, the Deputy Prime Minister, against the Cabinet's decision, which he said would close options for a peace settlement. Under the coalition agreement, his party retains the right to appeal against Cabinet decisions to the committee, on which the parliamentary Opposition is represented.

At today's meeting, Labour opposition deputies surprisingly supported the Government's decisions or abstained in respect of two projects—Cekov Beth in the barren Judean wilderness and Mizpah Gorrin north-west of Hebron. They said both conformed more or less with the party's concept of settlement vital for Israel's security.

They voted solidly against Hinnat Beth, west of Jenin, which they said was sited in an area inhabited by Arabs.

The project still requires formal approval by a joint committee of Cabinet ministers and World Zionist Executive officials, as well as a budgetary allocation from the Government. Mr Ariel Sharon, chairman of the joint committee, is expected to press for an early start on the new project in view of the decision to shorten the tenure of the Government.

In a separate development, Herut Cabinet ministers clashed over a group of about 100 squatters who were preparing to spend their third night on a windswept hillside west of Jerusalem, where the Government has planned a Jewish suburb, to be called Givon.

Mr David Levi, the Housing Minister, said plans for the project were nearing completion and the squatters were obstructing the work. Mr Sharon argues that it will take years to build the suburb and the presence of Jewish settlers in the interim was vital. He wanted to provide temporary housing.

Confessions retracted: Two Druse brothers suspected of murdering a political rival of their father, Knesset member Shaikh Jaber Mundi, have retracted statements to the police implicating themselves in the crime. Mr Shlomo Toussie Cohen, their lawyer, said they

He said that Mr Mundi, an Israeli officer, and Dahesh Mundi, a prison warden, told him they were innocent of the murder of Shaikh Hamad Abu Rabis, in Jerusalem on January 12. They claim police had used improper methods to extract their statements. The lawyer said he had not yet met the third brother, Hayeel, since he allegedly made his statement.

Mr Toussie-Cohen said he had written today to the Attorney General, protesting at police methods. He said Self Mundi told him he had been promised that if he testified against his father and brother would be dropped if he assumed sole responsibility, and had been assured he would be freed after a "Sulha" or reconciliation feast, between the Druse and the Beduin.

## Cool meeting between two presidents

Continued from page 1

blow to Muslim hopes and aspirations "at a time when our total effort should have been devoted to meet the grave challenges in Palestine and Afghanistan."

But the Afghan Government, like the Iranian Government, had sent no delegates to the summit that marks the dawn of the Muslim fifteenth century.

The Iranian flag, trapped on the aluminium staff outside the conference chamber but there

was not one spokesman for the nation which has created so unprecedented an upheaval in the Muslim world. The Afghan people were represented by a powerful clutch of rebel leaders who could be permitted to attend the conference only as observers.

Egypt, for whom forgiveness has been gently proffered by the Saudis, showed no sign of abandoning its alleged betrayal of the Muslim world. So the largest Arab nation did not even have its flag on display.

King Khalid, it is said, is earnestly persisting in his attempts to heal the enmity between Syria and Iraq. But President Assad and President Hussein did not even speak to each other when they sat a few feet apart in the Great Mosque at Mecca yesterday.

And when the Iraqi leader left the Conference on the afternoon more than 30 Iraqi security men protected his departure. It took all of five limousines to carry them away.



Decision on West Bank settlements upheld

From Middle East Correspondent  
The House of Commons has today upheld the decision to establish Jewish settlements in the West Bank. The vote was 319 to 298. The decision was made by a majority of 20 votes. The House of Commons is the lower house of the British Parliament. The decision was made after a long debate. The decision is a significant one. It shows that the British government is committed to the establishment of Jewish settlements in the West Bank. This is a controversial issue. There are many people who oppose the establishment of Jewish settlements in the West Bank. They believe that it is a violation of international law. They also believe that it is a source of instability in the region. The British government has a duty to uphold the decision. It must stand by its commitment to the establishment of Jewish settlements in the West Bank.

OVERSEAS  
Japan pledges not to resume aid to Kampuchea until Hanoi withdraws its occupying troops

From Peter Maclellan  
Tokyo, Jan 26  
Japan will not resume its aid for the reconstruction of Indo-China until Vietnam withdraws its troops from Kampuchea, Mr. Suzuki said today. The Prime Minister said that Japan would do as much as possible to help in the reconstruction of Indo-China once peace had been restored in the area. But it is regrettable that the present situation is not a proper climate for resuming our assistance to Vietnam. Mr. Suzuki said Japan had called on the Secretary-General of the United Nations to convene an international conference on Kampuchea.

Difficult to find suitable Phnom Penh representative  
Khmer guerrillas unable to unite

From Our South-East Asia Correspondent  
Bangkok, Jan 26  
A leading problem for the non-communist countries of South-East Asia is in electing the Vietnamese from Kampuchea as a representative with sufficient standing to represent Phnom Penh at the United Nations. The dilemma for the non-communist nations of the area is that the only organization capable of mounting any respectable military resistance to the Vietnamese remains the discredited Khmer Rouge. The non-communist alternatives, however, are scarcely viable. The various elements of the Khmer Rouge (Free Khmers) have largely distinguished themselves from others through their ability to get rich at the expense of their countrymen, and their self-defeating factionalism. The best hope of an alternative leader to sit at the United Nations, in the view of the coun-

Vietnamese promote technocrats to key posts

From David Watts  
Singapore, Jan 26  
The Vietnamese Government has announced changes in some senior posts which reflect both the failures of the second five-year plan and new policies which could set the country on a more pragmatic course. The changes bring into the Government young technocrats who, it is hoped, will increase the efficiency of industry and food production. Many of the new names are little known outside the country although they are replacing some of the longest-serving members of the Communist Party.

The past year has been one of atrocious ill-fortune in Vietnam not only for industry but for agriculture with up to 40 per cent of the rice crop in the north lost to typhoons. Over the past two months Vietnam has admitted publicly what analysts had known for some time—that the second five-year plan, 1976-80, was a failure, particularly in agriculture. The changes are designed to bring in men who are more flexible in the application of socialist principles, and ready to apply techniques aimed at building socialism with a Vietnamese face. Judging by recent policy statements, the intention is to give free range to individual effort to help pull Vietnam out of its vicious cycle of poverty and under-development. Most of the changes are among ministries concerned with food, food production and trade. Mr Ho Viet Thang, who was appointed Minister of Food Supply only in April, 1979, has been replaced by Mr La Lam Gia. He appears to be as little known as Mr Thang was before he assumed the post. Mr Tran Van Hien is relieved of the Ministry for Foreign Trade which is taken by Mr Tran Phung, formerly chairman of the State Planning Commission. Responsibilities for energy supplies for industry have been split between two ministries, most notably a reversion of the difficult Vietnam has had in getting reliable electricity supplies for factories. Mr Nguyen Chan, formerly Minister for Electricity and Coal, becomes Minister of Mines and Coal while a newcomer, Mr Phan Xai, takes responsibility for the Electricity Ministry. Mr Chan has formerly held the post of Minister for Heavy Industry.

Fashion  
by Suzy Menkes

I have often wondered why there was no British national costume. Austrians have their lederhosen and braided pinafores, Spaniards can sport mantillas and Americans can certainly lay claim to blue jeans. We British have nothing we can identify with as our own. But last week, as I searched for heavyweight woollens, I realized that Our Island Race has a national wardrobe in traditional knits. Aran, Guernsey and Fair Isles have never been more popular as fashion garments. We take them absolutely for granted as cold weather wear, yet in them are stitched generations of folklore: wave patterns, ropes, anchors, knots, the enduring symbols of seafaring folk. It is difficult to be dramatic about the homely craft of knitting or to think of a winter woolly as an art form. But by one of life's familiar ironies, we have begun to appreciate the hand-knitted sweater just at the moment when the traditional knitters and weavers are being lured away—one to work on an oil rig or in a hotel, the other towards machine washable factory knits. The black gold could drown a tradition of a thousand years, according to Mr William Bill, whose Bond Street shops are filled with soft Scottish woollens—cashmere rugs as fine as a Scotch mist, cheery random-striped shawl sweaters, painstakingly patterned Fair Isle yokes and hand-woven tweeds neatly labelled with the name of its creator. There is an enormous demand for the famous Harris tweed and for hand-knitted woollens, particularly from overseas customers. But secretarial work for oil companies is more rewarding and appealing to many a Mrs MacGregor than toiling away alone in the back parlour on what always used to be a labour of love. Home knitters in Scotland still welcome knitting pin-money, according to Mr Padraig Goodman, chairman of Inverallan Knitters, a specialist hand-knitting company that finds its most local weavers now in demand as far afield as Japan and Australia, as well as in fashion meccas like Paris and New York. Much the same Aran knits that are internationally on sale appear in the Book of Kells, where Daniel feeds the dragon in an earlier incarnation of an Aran mini-dress and rights (probably already being revived by some sharp-eyed fashion designer). The Icelandic sweaters, knitted on a circular needle, also have an ancient historical tradition. Mr Goodman tells me that the same technique used by Inverallan's Knitters can be seen in a madonna and child painting done in Hamburg in 1400, where the baby Jesus is having a miniature jacker knitted up by the Wise Men. (I am sure they soon became wise enough to leave knitting to their wives.) Do you really care who knitted your sweater, especially if you can get it cheaper off the factory floor? I am not one of these enthusiasts who believes that it adds to life's pleasures to know the ben who laid your breakfast egg. But individual hand-knits are not unduly expensive for what you get and are immensely appealing. Because the traditional knits were developed as working clothes for sailors and fishermen, they remain supremely practical, especially for these bleak winter months, when our wardrobe seems as dull as the



Above: Traditional Aran cardigan in Bannin wool with bone buttons £41.50, natural only. Fair Isle shawl and slipover made to order (three-months delivery) £47.50, both from W. Bill, 93 New Bond Street, W1. Checked sports shirt by Laurel £21.95, bow-tie £7.95, scarf £1.95, culotte skirt in sage green, khaki or navy £26.95. Ribbed lights by Elbow £4.50 and leather and wool gloves £4.95, all from Fenwick on Bond Street. Studded leather ankle boots in khaki, green, blue or white £24.99 from Lilley and Skinner. Left: Guernsey dress with symbolic patterned yoke and knotted hem £35 in air force blue, navy, bottle green or red from Guernseys Galore, 48 Market Street, London, SW1. Plaid cashmere rug worn as shawl from W. Bill, 93 New Bond Street and 23 Old Bond Street, London, W1. Tartan belt £1.95, check skirt in beige or green £21.95. Leather patterned gloves £4.95 and silk ribbed lights £4.50 all from Fenwick of Bond Street. Make-up by Annette for Models One. Hair by Lundy at Toni Guy. Photographs by JEANY.

British arms offer to Malaysia

Kuala Lumpur, Jan 26—Britain is ready to give more help to expand Malaysia's armed forces, Lord Trenchard, the Minister of State for Defence, said today when he arrived for two days of talks with Malaysian leaders. He said his visit was designed to find out Malaysia's needs and priorities for the strengthening of its defences. Malaysia has plans to build up rapidly its defence forces to withstand a conventional war. The Government has said it will spend about £1,000m on defence and internal security this year—22 per cent of its budget. Lord Trenchard's visit so soon after his appointment earlier this month also reflects British interest in reviving the five-year defence arrangement (FPDA) involving Britain, Malaysia, Singapore, Australia and New Zealand. Lord Trenchard said that although Britain could not keep the military presence in the Far East that it had once maintained, it still wanted to use its influence to support the Australian initiative to revitalize the arrangement. The member countries of the FPDA agreed last week to hold regular consultative council meetings. Joint maritime and land exercises have also been agreed upon later this year, the first involving all five members since 1970. Lord Trenchard's visit coincides with that of Sir Ronald Ellis, Britain's head of defence sales in the Defence Ministry, who said yesterday he would be offering Malaysia aircraft, naval vessels, equipment and military technology for the construction of air bases. Lord Trenchard, who is deputy to Mr John Nott, the Defence Secretary, will talk tomorrow with Datuk Hussein Onn, the Malaysian Prime Minister, who also holds the defence portfolio.—Reuter.

Peking dissociates Mao from Jiang Qing crimes

Peking, Jan 26—The official Chinese press today hailed the suspended death sentence imposed on Jiang Qing, widow of Mao Tse-tung, as a just verdict but indicated that it should not be taken as an implicit condemnation of her late husband. The party newspaper People's Daily said the crimes committed by the "gang of four" during the Cultural Revolution should not be confused with errors made by the leadership, a clear reference to Mao's role in that tumultuous decade. It said the Cultural Revolution was a "complex phenomenon in the history of society and consisted both of destruction caused by the counter-revolutionary cliques led by Lin Biao (former Defence Minister) and Jiang Qing and also of errors committed by the party leadership." It added: "If we confuse these two matters which are different in character, we will not be able to correctly sum up the lessons we have drawn from the experience." In a commentary last month, the People's Daily directly blamed Mao for launching the Cultural Revolution but subsequent articles have softened the criticism and emphasized his positive achievements. Apart from the "gang of four", the defendants in the recent trial consisted of Mao's former political secretary and five senior military officers. Jiang Qing was yesterday

Nazis' American connexion

Los Angeles, Jan 26—Mr Simon Wiesenthal, the Nazi hunter, said here that American neo-Nazis were writing racist and political propaganda, translating it into several languages, and distributing it to European countries such as France and Sweden. Mr Wiesenthal, who has specialized in tracking down war criminals who survived the Third Reich, told an audience of 2,500 that European neo-Nazis could not exist if they were not fed with propaganda written in the United States. The visit of Mr Wiesenthal, who is based in Vienna, coincides with an upsurge in antisemitic vandalism in southern California, including the paint-spraying of slogans and swastikas on walls of Jewish institutions and cemeteries.—Agence France-Press.

Snippets

Nancy Reagan looked splendid in her poster paint red coat and hat at the inauguration ceremony, like some bright robin bobbing beside the new President. The First Lady's fashion style is the epitome of hand-knitted American chic, what that transatlantic fashion bible, Women's Wear Daily, dubs as "American thoroughbred style". Nancy Reagan's favourite designer is the Cuban-born Adolfo whose grand ball-gowns with rustling ruffled skirts grace the best Washington parties. He also makes easy

down her pattern in 1946, when the island's knitting tradition had been all but lost through the Occupation and through the advent of machine knits. That pattern, with its rows of fishermen's knots round the bottom, the ripples of sand in a parter stitch, the ribbed cascade ways and fish-shaped swastika what you will be wearing still today, even if it has crazily

been elongated into a sweater dress or made in a range of 14 colours as well as the traditional sailor blue. The test of a true Guernsey is that it weighs a pound and satisfies its wearer. Selling a sweater that is more or less guaranteed indestructible is a far cry from modern business methods. It certainly adds to the charm.

Chinese uncover 28 tombs with 1,000 relics

Peking, Jan 26—Chinese scientists have found the biggest burial place discovered so far from the period before the Chin dynasty (221-207 BC). According to the New China news agency, more than 1,000 relics including gold and jade objects, bronzes, iron implements and pottery vessels were found, as well as the curled-up bodies of slaves buried with their masters in the 2,800-year-old burial complex. The site, with 28 large tombs, is three miles south of the main town of Fengxiang district in Shanxi province, the capital of the Chin state from 677 to 383 BC. The city was a political, economic and cultural centre for about 300 years. The agency said excavation began in 1976 and has provided important material for studying political and economic conditions, military affairs, culture and history preceding the Chin dynasty.—AP.

Bangladesh says Chittagong hill tribes' lawlessness was provoked by terrorists

By Caroline Moorehead  
Harassment of the tribes of the Chittagong Hill Tracts is being vigorously denied by the Bangladesh High Commission in London. The denials have come in response to a series of statements made at the Anti-Slavery Society recently by three aid experts returning from the area. They reported a picture of repression, eviction from homelands, and desecration of Buddhist temples. Other, independent accounts of killings, rapes and kidnappings have also come from the area. The Bangladesh High Commission admits that the hilly 5,093 square miles of the South-east Bangladesh, traditionally the home of the 13 Chittagong Hill Tract tribes, is the scene of considerable lawlessness, and that murder, arson and looting are prevalent. But they deny any undue violence or policy of repression on the part of government forces, and blame the disorder not on tribesmen but on a "group of terrorists and bandits" and "miscreants" provoking the tribes to militancy. They also deny that the number of police and troops in the area has been increased. The Anti-Slavery Society observers mentioned a large concentration of army units in the tribal lands. In particular, the High Commission is anxious to clarify the events of last March 25, when according to the people, the Captain Kalam ordered his men to open fire on tribesmen assembled in a clearing to protest at the incursion of Muslim Bengalis, encouraged by the Government to settle on their lands. According to the Bangladesh statement, "a group of tribal armed miscreants attacked the security posts at Kamapadi simultaneously setting fire to the houses of non-tribal Bengali

Chanel-type suits reminiscent of the style of America's last trend-setting President's wife

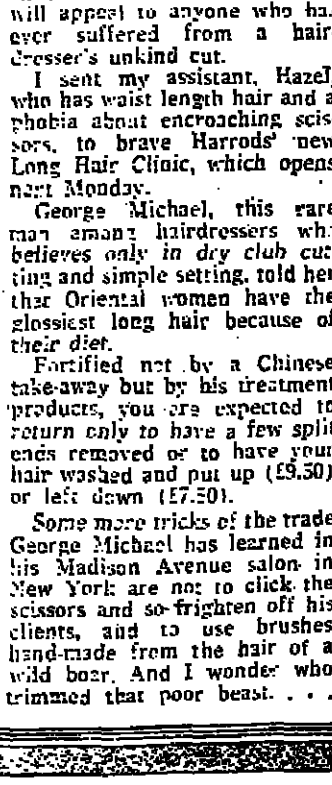
Chanel-type suits reminiscent of the style of America's last trend-setting President's wife—Jackie Kennedy, who preferred the real French chic. In the new upsurge of patriotism, I am sure that most Americans will be pleased to see that Nancy Reagan, with her trim silhouette and impeccably groomed appearance, believes in America the Beautiful. The nearest we have got to First Lady fashion style in Britain is Hardy Amies, whose custom house in Savile Row has just celebrated its 35th anniversary.

Trousers feature more

His latest spring/summer collection, designed by Ian Fleetwood, and shown last week, was a mix of culture and ready to wear with the emphasis on tailoring in the former, and on casual dressing for the latter. There were some exceptionally pretty fabrics used with great imagination and style, especially in a series of silk afternoon dresses (where else can you get them?) and in a border printed silk chiton evening dress with blocks of colour picked out to band the hem. Trousers feature more

George Michael, this rare man among hairdressers who believes only in dry club cutting and simple setting, told her that Oriental women have the sleekest long hair because of their diet.

Fortified not by a Chinese take-away but by his treatment products, you are expected to return only to have a few split ends removed or to have your hair washed and put up (£5.50) or left down (£7.50). Some more tricks of the trade George Michael has learned in his Madison Avenue salon in New York are not to click the scissors and so frighten off his clients, and to use brushes hand-made from the hair of a wild boar. And I wonder who trimmed that poor beast...













ward Alex Filatovson and he was hard pressed by Timothy Toyne, winning 12-15, 15-5, 15-8, 15-12.

Lieut-Colonel: Toyne-Sewell is an old army racketeer campaigner who employs every moment of the game to encourage wagers and play. He is not only organizer and furt the "championship" but marks some of the best matches he plays. His discarded balls while doing so. This play is robust, his armory heavy.







How Mao's widow found herself friendless in the dock...

## The callous revolutionary who lusted for power

There are good reasons to believe she hated men because she and her mother were maltreated by her father, and because, as a young actress in Shanghai, she was exposed to lewd male gossip...

Peking. Jiang Qing, the widow of Mao Tse Tung, who may never be seen in public again, had a gift for making enemies. Arrogant and opinionated, even on subjects of which she knew little, she systematically destroyed China's intellectual and cultural life for more than a decade. This is not in itself a capital offence. But she was also indicted for having caused or connived at the persecution—sometimes death—of countless thousands of people in one purge alone, it is alleged, 3,000 people died.

It is difficult to know how seriously to take the complex political charges against Jiang Qing. All Chinese political declarations have an element of exaggeration. But her own behaviour in court, before the eyes of millions of television viewers, certainly gave the impression of a choleric and vindictive woman.

Almost as though deliberately, Mao's widow touched on all the misogynous prejudices which linger on in China—not least among the women, whose propensity for mutual spite is second to none.

Ironically, it was a woman—and a feminist—who unintentionally presented to the world the most damaging picture of Jiang Qing. Dr Roxane Witke, an American scholar, interviewed her at length in 1972, but the interviews, in book form, were not published until after her subject had been overthrown in 1976.

Dr Witke's portrait of Jiang Qing is marred by its dearth of direct quotations and discursive backgrounding. But although Dr Witke seemed to admire Jiang Qing, the book showed her as a strange blend of hypochondria, histrionics, jealousy, self-indulgence and vulgarity masquerading as elegance.

With Dr Witke's book (Com-

rade Chiang Ching) at their elbow, few writers on Chinese affairs found it hard to believe why she was so hated. There are good reasons to believe she hated men because she and her mother were maltreated by her father, and because as a young actress in Shanghai she was exposed to lewd male gossip. It may be no coincidence that in Mao—as testified by people who knew him before the War—she found a certain effeminacy more to her liking than the more macho-inclined officers of the Red Army.

Certainly, around the time when Dr Witke met her, she surrounded herself with female attendants—two of whom turned out to denounce her at the trial.

Apparently, she genuinely believed she was a born revolutionary, though her tastes were incurably petty bourgeois and her military role was mainly imaginary. From the time she married Mao about 1940, until the mid 1960s, she more or less adhered to the promise extracted by Mao's comrades before the marriage: that she would never interfere in politics. It is a moot point whether her increasing involvement in stage, cinema and operatic work in the 1950s and 60s really constituted such interference. In view of the appalling condition to which she consigned China's modern cultural life from 1960

on, the party elders might feel they would have done better to ban her from that kind of activity, rather than from politics. She has had a long-standing hatred of the elegant Mme Wang Guangmei, wife of Liu Shaoqi, who was head of state until his overthrow and death in prison. Mme Wang is back in circulation again, and it would be not entirely surprising, given the Chinese appreciation of irony, if Jiang Qing had been assigned to the same solitary cell she occupied in the Qincheng maximum security prison near Peking. Though her cheeks became puffy and drooped, disguising the pretentiousness of her youth—Jiang Qing exuded sex in a way some women in their 60s can. She was full of mannerisms, and often affected a prancing gait. After the khaki-and-trousers period of the early cultural revolution, she took to wearing long black dresses.

She tried, it is alleged, to suppress the national chauvinism of China's minorities—Mongols, Tibetans and others. And she devised a summer dress for the women of Peking, who, unlike their counterparts in Shanghai, were mostly too cautious to wear it. It is a pity that her departure from the fashion design scene that women all over the country now dare to wear smart dresses and above-

the-knee skirts in warm weather.

What of her "reform" of the Chinese opera? A few of the nine works approved for general viewing in the cultural revolution contained dances and acrobatics, and the oddly strangled singing of Peking opera was retained, even in the dramatization of modern or revolutionary themes.

But Peking opera is nothing without the fantastic costumes and make-up, the extravagant gestures, and the revoltingly plain human situations—only vaguely related to politics—and few people here are mourning the departure of *The Red Lantern* or *The Red Detachment of Women*.

Perhaps the most unattractive aspect of Jiang Qing's personality was her callousness—an attribute she shared with Mao. Ruined lives, suicides and family grief seemed to mean nothing to her once she was embarked on her witch-hunt of "revisionists" and "gods". Obviously she was taking her revenge for something, whether her father's brutality, or the cold shoulder she was given by party veterans, is not clear.

When Jiang Qing dared the special court to execute her in public, she may even have been serious. For a person of her temperament, prison life may be a worse fate than death. Nobody seriously expects her to be executed in two years' time on grounds of failure to "repent". The question arises whether Chinese society as at present constituted could tolerate any woman in as high a position as she eventually gained (deserving even of such a title as party chairman, it has been claimed). The politburo can consider itself graced by the self-effacing and dignified Mme Deng Yingchao;



Drawing by Richard Cole

Chou en-Lai's widow. But the only other woman in that august body is Chen Muhua, a foreign aid specialist who has never risen far and has been under political attack.

The proportion of women members in the Central Committee and the National People's Congress is tiny. Mme Soon, Chiang-Ling, nonagenarian widow of Sun Yat-sen, is a living reminder of the high hopes of the feminist movement in the early Kuomintang period. The vast majority of working women today are labourers, shop-

Bernard Levin

## They're very big in Limehouse



Four across the Rubicon: Mr Rodgers, Mrs Williams, Mr Jenkins and Dr Owen.

disturbing tendencies have been observed in the drift of Labour Party policy. You will not believe me—you will think I ruffled through the *Oxford Dictionary of Quotations* until I found something appropriate—but I swear that as I heard the news of this historic, nay momentous, decision, there came unbidden to my mind the great rallying-call ("Once more out of the breach") of Henry V.

In peace there's nothing so becomes a man, As modest stillness and humility; But when the blast of war blows in our ears, Then imitate the action of the tiger. Stiffen the sinews, summon up the blood, And have a jolly good discussion on what we should do if they should go too far. Without, of course, forgetting to The shocking price that claret's fetching now. Because of all the bloody Japanese. But what this dauntless band have done so far is as nothing to what they intend for the future. Once again, Jack ("Scoops") Levin has beaten all his rivals: the moment I heard that the vital meeting was taking place chez Owen I hastened thither disguised as a TV repair-man, came to fix the aerial. Once on the roof, it was the work of a moment to slip down the chimney and wedged only a few feet above the

fireplace, to hear all that transpired. Thus, I am in a position to reveal that contingency plans have been laid, for almost any eventuality. For instance, it was unanimously and enthusiastically agreed that if the Labour Party manifesto for the next election should include a proposal for Britain to leave Nato, the group would take steps, and if the manifesto should go even further and promise that a Labour Government, after leaving Nato, should then spin the Warsaw Pact, they would have a thing or two to say about it.

Nor was that all; indeed, that was trivial to what came after. Even as the words were spoken I wrote them down—I still have the sort of tiny notebook to prove it—and I can now disclose that should a Labour prime minister appoint Mr. Ernest Rogers, Minister of Defence, Mrs. Rosie Short Foreign Secretary and Mr. Alex. Nison Ambassador to the United States, the members of the Alliance for Social Democracy will, almost before a month is out, consider their political future. If a plan for the nationalisation, without compensation, of all private property should be put forward in the manifesto, they would regret its inclusion, and if a Labour government, elected on such a platform, should announce that it intended to put the plan into effect, they would urgently request the government to think again.

And even that does not exhaust the roll-call of courageous stands, I

nearly fell into the drawing-room with excitement and admiration when I heard the group agree, new that if a future Labour government should bring in legislation to censor the press, they would find it difficult, if not impossible, to see any merit in the plan.

By now the group had thrown away their scarves and passed (I think the striking phrase was Dr Owen's) the "point of no return". For not content with the ringing declarations of principle, they have so far recorded, they drew up plans for swift and effective action as well. If legislation providing for imprisonment without trial were to be introduced by a Labour government, for instance, they would make a stink about it, and if that were followed by a further Bill seeking powers for the government to suspend Parliament indefinitely and rule by decree they are pledged to work with others in opposition to the measure. The abolition of the House of Lords would be deplored; that of the monarchy criticised outright; and that of freedom of worship firmly rebuffed.

A long and scintillating discussion then followed in which the group hammered out an agreement on what their role should be during a general election. The argument was eventually narrowed down to two choices; should they be, at an election, concerned observers of anxious spectators? "No time," they decided, convinced that no agreement would

be possible, so strongly held (and evenly balanced) were the rival views. But then the wise and moderating influence of Mr. Jenkins made itself felt, and the whole group eagerly embraced his suggestion that in the event of an election they should declare that they were awaiting the outcome with more than ordinary interest.

And so it went on, all through the afternoon, while I, the discomfort of my position forgotten in the feeling that I was present at history in the making, filled notebook after notebook (I had stuffed every pocket full of spares) with the astounding decisions being made in my hearing.

The group pledged themselves, in the event of a Labour government, to insist on compulsory education in Marxism for all five-year-old school children; to disagree; the replacement of the present Chiefs of Staff by leading members of the Militant Tendency; would be vigorously denounced; the advent of a one-party state would be declared a black day for Britain.

My deadline was approaching; I realized that it would be the height of irony if, in waiting to see what else would transpire at this historic encounter, I failed to get into the paper what I had already discovered. So, with great reluctance, I clambered up the chimney, on to the roof again, slid down a rainwater-pipe and hastened off to be, once more, first with the news. But as it happens, I think I must have left just as the last sound I heard coming from the house as I began my dash to the office was that of music: taking a leaf out of the book of the left, with its custom of singing *The Red Flag*, the fearless group who had already so notably lashed out for democracy were concluding a fine day's work with a spirited rendering of that haunting Lennon/McCartney number *He's a Rebel*. Nowhere Man, Sitting in his Nowhere Land, Making all his nowhere plans for nobody.

Doesn't have a point of view, Knows not where he's going to, Isn't a bit like you and me?

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## The battle hotting up over who is 'British'

Today, for the third time this century, the House of Commons will grapple with the fundamental question of what it means to be British. This time there will be a real battle between the two major parties.

The Government's Nationality Bill, which will replace the 1948 Act, has angered many people of widely differing views because, effectively, it puts British citizenship on a racial basis.

The Anglican and Roman Catholic churches, the ethnic minority groups, including the Board of Deputies of British Jews and the civil liberties lobby say the Bill is racist and will create more, not less, uncertainty.

One of the Bill's most outspoken critics, the ethnic Labour Party which has decided under the leadership of Mr Roy Mannersley, home affairs spokesman, to end the consensus that once existed on this issue, also says the Bill is racist.

Such criticisms it must be said, marks something of a conversion for Labour—perhaps the result of being safely in opposition again. The previous government would almost certainly have steered through a Bill to create a second class of British citizenship, if the Green Paper of 1977 is anything to go by, which would have left large numbers of mainly non-white people effectively stateless.

Labour's record on immigration has been almost identical to the Conservatives. It introduced stringent controls and reneged on Britain's commitment to the East African Asians who had United Kingdom passports. Only a small number were allowed here. However, the party may well be changing its tune, so the fact that Mr Mannersley is prepared to say he regrets having voted for the 1968 Immigration Act is a positive sign.

Today the Opposition will be arguing fiercely against the Government's proposals in the Second Reading debate. And in March Labour activists and others will take to the streets to demonstrate against the Bill.

Critics say the Bill incorporates racial discrimination restrictions, introduced when the sun was setting on the British empire, into nationality law. Henceforth whether someone can live in this country and on what conditions will depend on his or her citizenship category.

The three new categories of citizenship are largely but not wholly racial. Only (mainly white) British citizens will have a right to live here. The other two groups (British Overseas Citizens and Citizens of the British Dependent Territories) will have no right of entry. They include those in East Africa and Malaysia who chose to be British at independence, and the present inhabitants of colonies like Hong Kong.

So why call these people British at all? Why give them "British" passports which they cannot use to enter this country?

The whole question of rights to vote and to hold public office which normally go with citizenship is virtually ignored in the Bill, even for British citizens. A passport can be withheld on government discretion. The Government's White Paper on the subject referred to such rights as "privileges". This has been criticized for being one of the most depressing

Labour's record on immigration has been almost identical to the Conservatives—it introduced stringent controls and reneged on Britain's commitment to the East African Asians who had United Kingdom passports...

naturalization may not pass on their citizenship automatically to their children who are born outside the United Kingdom. Now they can. The new provision will catch mainly non-white people.

There are, nevertheless, some good things in the Bill. First, it allows dual nationality about which Labour's Green Paper was ambivalent; second, it ends the present discrimination whereby children born abroad can only inherit British nationality through their father and not their mother.

The Government appears likely to forswear the critics by pushing the Bill through as quickly as possible. Already it has rejected a request for committee hearings to which outsiders could give evidence. This is a pity. It may not be in its best interests to ignore the criticisms and anxieties in view of this country's European and international human rights commitments. It may be found wanting at a later date.

Lucy Hodges



Asian immigrants at Heathrow.

## LONDON DIARY

### It should be all Greek to you...

In a world in which the news fluctuates between chaos, catatonia and a permanent state of crisis, at least one piece of good news can be chalked up to 1981: Greece has joined Europe.

Correction: that is an eccentric and hybris-like way of putting it. Greece originally was Europe, and the cow-girl Europa who hitched a lift on a passing bull to Crete and glory was a Greek myth.

The Greek roots of our own beloved English language stick out like old marble crags from the preceding paragraphs. As Greece has slipped almost unnoticed into the EEC, I thought we should celebrate her accession to the Nine, making them the Ten, with one of my celebrated and ever-popular competitions.

But there is a difference. This time, thanks to a burst of Aegean generosity, I am able to offer a prize so glittering that it smacks of the kind of readers' contest they run in on of the less expensive newspapers with which we may shortly have

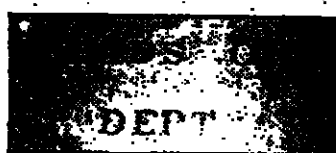
some association. However the subject matter is distinctly up-market.

I invite idle readers to compose a suitable celebratory encounter on Greece's entry to the EEC using only English words derived from Greek.

For example, if you happen to be writing about monetarism (and who isn't these days?) you could say: It is Zeus's anathema on our epoch for the transgression of our economic and the heresy of our economic methods and policies that we should agonize between the Scylla of numismatic plethora and the Charybdis of economic anamias.

Two hundred words maximum, please, in prose or verse, and a blind eye will be turned on prepositional, articles and other nuts and bolts of English that are not directly derived from Greek. The winner will be the crafty Philhellene who submits the most amusing, engaging, inspiring and appropriate piece.

Now the good news. The first prize will be a week's holiday for two in Greece, with all expenses paid by Olympic Holidays, and I dare say introductions to Bacchus, Aphrodite and any other Olympians to taste.



Has the Inner London Education Authority introduced capital punishment in schools to replace the cane? In *John Harvey of Romington* says the sign on a door at Marlborough School, London SW13, where they appear to have serious problems of discipline.

The second prize will be a copy of L. R. Palmer's magisterial (and expensive) book *The Greek Language*.

The judges, whose decision will be final and no doubt controversial, after they have been tyrannised by so much hellenic phraseology, will be Sir David Hunt, Hellenophile extraordinary and master mind; Eleni Cubitt of the Greek Embassy; and my colleague Philip Howard, literary editor and senior classics master of The Times.

Entries to me by next Wednesday, February 4, please, and kindly mark them "Greek contest". I shall reveal the

### Off the beam

Ardent admirers of the BBC's World Service radio programmes have formed an appreciation society to try to ensure that the broadcasts continue to be audible in Britain when a new transmitter to beam the service around the globe is erected on the Suffolk coast next year.

The World Service is really intended for foreigners, and is paid for out of the annual Foreign Office grant which maintains all the BBC external services from Bush House in the Strand. But the quality of its programmes, which are much less biased towards British news and views than the domestic radio services, has won it a substantial following in Britain.

The BBC estimates a regular World Service audience of about 100,000 in this country; others claim that the figure is much higher, and is artificially depressed by the BBC to avoid embarrassing Radios One to Four.

At present the World Service (460 metres medium wave; details daily on our penultimate

page) is beamed from a transmitter at Crowthorne, Sussex, and can be heard loud and clear in most parts of Britain, particularly since the domestic "wavelengths" were switched about two years ago. But the BBC intends to boost its reception in distant parts by building a new directional transmitter at Orford Ness, which will send most of the sound waves away from our own shores.

Work on the new transmitter will begin later this year and the old one in Sussex will be closed down in 1982.

Jerry Lewis, a freelance journalist who has founded the World Service Appreciation Society, told me: "We hope it is not too late to persuade the BBC to change the design of their new transmitter, or to leave the old one in use."

"The World Service's mix of programmes is second to none, and its news coverage, especially foreign news, is the best. Its in-depth programmes on the news, like *Outlook*, *Analysis* and *Assignment*, cannot be bettered."

Nicholas Ridley, Minister of State at the Foreign Office, assured the Commons in 1979 that the World Service would



continue to be audible in Britain, but Lewis and his fellow appreciators are not so sure. They have the backing of a number of MPs, including

Greville Janner and James Dempsey.

The BBC told me yesterday that they welcomed Lewis's interest, but they refused to commit themselves, except to claim that with the new transmitter the World Service would still be audible in the South-east, but signals further north would be of "adequate or lesser quality". Signals from the appreciation society are being beamed loud and clear towards the Strand.

### Silly clots

A private member's Bill introduced by Sir Anthony Meyer, MP for West Wiltshire, to amend our extraordinarily complex shop hours legislation has turned the spotlight anew on the anomalies with which it is crammed, and excited a full-page advert in *The Times* last week.

Did you know, for example, that it is legal to sell cream on Sundays but not tinned cream unless the tinned cream is clotted? Surely, you might object, if clotted cream was subjected to the tanning process, it would no longer be clotted but ruined.

Quite right, the Dairy Trade Federation and Milk Marketing Board confirm, but the exemption was made to cover the sale of clotted cream in tins, as often happens in the West Country, to protect its passage through the post. Holiday-makers had to be allowed to buy clotted cream on Sundays to post to their friends.

Fine, and of course the scheduled to the Shops Act do also specifically permit the transaction of post office business on Sundays. But there is, as far as is known, now only one Post Office which actually opens on Sundays, and that is in Trafalgar Square, London, which is not a likely source of clotted cream. Down in the fertile West Country Sunday post is a thing of the past.

Linguistic vandalism from Wolverhampton Council, which has changed the name of its anti-vandalism committee to "the urban conservation and environmental awareness working party".

Alan Hamilton





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## THE PRESSURE OF EVENTS

Sir Keith Joseph's statement on British Leyland is something of a milestone in the development of the Government's industrial policy. When it first came to office it held out the promise of a coherent and distinct strategy. There was to be a rapid end to the subsidy of lame duck public enterprise. As much as possible of industry in the public sector was to be offered back to the private sector, a process for which the term privatization was coined. Meanwhile, the new growth in the economy was to come from the revitalized private sector itself, liberated from the disincentives of high personal taxation and from the restraints of dividend and foreign exchange controls.

In this as in other areas the Government has found that, even if the policy is right in principle, the problems which it is designed to attack are much more intractable than was at first supposed. The announcement of a further huge injection of public money into British Leyland yesterday, giving the company what it required to continue with its latest corporate plan, is evidence of that fact. Under the pressure of events, faced with rising unemployment, there was in the event no option but to provide the necessary finance to prevent the company having to cease trading.

There is an unhappy irony about the fact that it is Sir Keith

Joseph, one of the most intellectually rigorous of Mrs Thatcher's ministers, who is as a spending minister presiding over the most ad hoc and uncoordinated series of industrial rescue operations, all of them in straight contradiction of the originally professed industrial strategy. As it approaches the middle of its first term of office the Government in the light of experience might do well to reconsider its strategic goals in this important area of policy.

Such a reappraisal would have to start from the acceptance that the public sector will inevitably remain a substantial part of the British industrial economy for the foreseeable future. It is wrong to assume, as the Government and the Prime Minister herself tended to do at the start, that the public sector is incapable of behaving commercially and increasing its efficiency. Instead of mentally writing the whole of the public sector off as a bad job, industrial policy in this area should be a coordinated attempt to introduce and increase the pressures for a more commercially oriented development of the public sector industries.

In particular areas the breaking of the monopoly position of certain state industries could help here. So could the breaking up of giant businesses, like British Leyland or the British Steel Corporation into smaller

operating businesses. In this way it would in future be easier to run down hopeless loss-making operations and concentrate on areas of promise. The introduction of joint ventures between state industries and private enterprise should also be actively explored in this context. Financial performance targets should be set and monitored in order to measure improved performance and to restore to the management of state enterprises the sense of commercial purpose.

In general, the direct control of state owned industrial concerns should be kept at one remove from Whitehall. All the experience of the past twenty years and more is that civil servants are not the right people to take detailed and day-to-day industrial and financial decisions in a commercial context. Here the decision to remove the British Leyland shareholding from the National Enterprise Board and to transfer it to the Department of Industry, in imitation of the transfer of the Government's shareholding in Rolls-Royce, is a step in the wrong direction. Increased commercial discipline should be the order of the day so far as the public sector is concerned, not more direct political and bureaucratic interference in the running of industries that in any event pose enough problems of their own.

## WHAT FUTURE FOR THE SIXTH FORM?

By 1993 the number of young people who have passed the legal minimum school leaving age but are still under 20 will be smaller by a quarter than it is today. Sixth form provision will have to adapt to meet this change, as services for younger children are already doing. Because the sixth form is a more sensitive political issue, the prospect is already causing uncertainty and conflict among teachers and local councillors. The Macfarlane report, published yesterday, was intended to give policy makers a guide to which of the several possible courses would best suit their own circumstances. Unfortunately the political issues have proved so sensitive that the report, after a series of much-leaked drafting crises, reads more like one more summary of the problems than a guide to their resolution.

This is especially disappointing to the more extreme proponents of the two main rival answers—the traditional sixth form, on one side, and the sixth form college on the other. But while the report's failure to give clearer guidance must be regretted, it is no bad thing that it has not thrown its weight dogmatically on either side. It is clear that the problems faced in different areas are very diverse (some authorities even expect to have more students of sixth form age in ten years, not

fewer). Different areas will need different solutions, and will perceive the situation differently, and central government should not seek to prescribe in a rigid or doctrinaire fashion.

The fall in pupil numbers will make it impossible for many comprehensive schools to provide a sufficiently wide range of courses economically. The problem already exists: a good sixth form should have at least 140 pupils, but more than a third of existing ones are already smaller than 50. In cities, many schools have mitigated the effects of change by making informal arrangements to share sixth-form provision. This can work well in the short term, but the scale of the approaching change is so great that education authorities everywhere should be preparing long-term plans to adapt, and ensuring that they are widely known and debated.

The most popular radical solution is the separate sixth-form college. There are now 105 of them, and a recent survey showed that their A-level results are slightly better than those of ordinary sixth forms. They are popular with students, especially those who feel that they have outgrown school discipline, and there is evidence that students there move more readily on to further education. The release from discipline is not always an advantage, but in many areas,

especially large cities, sixth-form colleges will seem the natural answer.

Their effect on the "beheaded" comprehensive schools may not, however, be so good. The sense of community and continuity in these schools may be weakened, and the Inspectors of Schools have noted a tendency for them to suffer their own difficulties about presenting a broad curriculum and attracting specialist teachers, who prefer to have a work with sixth form. The same might be true if schools were "beheaded" so that one or two others in the neighbourhood could enjoy a sixth form.

In general, as many schools as possible should be enabled to maintain their own sixth-form provision, with formal sharing arrangements where necessary. The Government should try again soon to assist education authorities to identify where this should be attempted. The whole debate should take place in the light of the fact that education after the age of sixteen in Britain is no matter for complacency. Fewer young people here than in most comparable countries continue their studies beyond sixteen, and the effects of this on our national competitiveness must be significant. The problem must be approached not only in terms of maintaining standards, but also of improving them.

## THE CHALLENGE TO PRESIDENT GISCARD

M. Mitterrand looks better placed to win the French presidential election than he did only a few months ago. He has succeeded in overcoming the divisions within his own Socialist Party, so that last Saturday's meeting, at which he was formally adopted as his party's presidential candidate, was an impressive display of unity. At the same time recent opinion polls have shown him closing the gap between himself and President Giscard d'Estaing—still not officially a candidate, but generally expected to be one. One poll, taken earlier this month, even had Mitterrand ahead of Giscard by 51 per cent to 49 per cent. Since then the same poll has shown Mitterrand pulling ahead again, with 52 per cent to Mitterrand's 48 per cent; but even so that is a significantly smaller showing for Mitterrand than he was getting last autumn, and suggests that the election, to be held on April 26 and May 10, could go either way.

The surprising thing is not that President Giscard should appear to be vulnerable, but that he should have appeared so strong for so long. He will, after all, have been in office for seven years and, though the French standard of living has risen during that time, the economy has run into difficulties over the past year or two. Unemployment is

up to one and a half million, and inflation was 13.6 per cent last year. There have also been a number of scandals, not least the allegation that M. Giscard had himself been given diamonds by the Emperor Bokassa of the Central African Empire. Even so, the assumption until recently was that he would be reelected quite easily. He still may. He is likely to attract more support once he has launched his own campaign. He will have enormous advantages as the incumbent, and many French voters may hesitate at the last moment at the thought of electing a President from the left.

Much will depend on the attitude of the Communist Party. In the last presidential election, in 1974, M. Mitterrand was the joint candidate of the Socialist and Communist Parties—and came very near to winning. But since then the Communists have broken with the Socialists, and there are suspicions that what they say about the unity of the Left they would rather see M. Giscard reelected than have M. Mitterrand and a triumphant Socialist Party in power. At any rate M. Marchais, the secretary general, will be the Communist candidate in the first round, and has been exchanging abuse with M. Mitterrand. It is not certain that the Communists will throw their weight behind M. Mitterrand in the second round.

Even if they do not, however, it need not necessarily hurt M. Mitterrand because he is following a different strategy from that of 1974. This year, in addition to getting votes from the Left, he is hoping to pick up support in the second round from disaffected Gaullists. He has even dissociated himself from much of the party manifesto adopted by the Socialists last weekend, and he could point to lack of support from the Gaullists as proof that he would not be indebted to them either. Yet as the only leftist candidate he would be bound to get some Communist votes, whatever the party's instructions.

If M. Mitterrand is elected, it will be the biggest change in French political life since 1958, when General de Gaulle came to power and laid the foundations of the Fifth Republic. He himself has been unwilling to say whether he would have Communists in his government. He has confined himself to undertaking to dissolve the National Assembly, with its Giscardian and Gaullist majority, and to hold new legislative elections, with a view to getting a new majority that he would work with. It would be a test of the constitution of the Fifth Republic: whether it could accommodate a change of this nature.

## Closer relations

From Mr Anthony Wigram  
Sir, Now that the basic principles governing industrial relations are once again under discussion, should we not consider the system which seems to have been so successful in Japan based on lifetime employment by a single firm?

It is easy to see why such a system should be successful because it nurtures the interests of the firm and the workers fairly and squarely on the same footing. Both are locked together for better or worse and must get the best out of each other so that each gets more by sharing a bigger cake rather than fighting for a larger share of a smaller one.

From the worker's point of view, the more successful the firm the better off he becomes, and because the fear that his own hard work and greater productivity will threaten his job or that of his friends is removed, it stands to reason that he is much more likely

to cooperate with schemes for modernization and retraining. Restrictive practices cease to be logical. From the point of view of the firm the commitment to lifetime employment acts as a spur to use employees imaginatively and profitably. Problems which may now have to be solved by diversification, new investment, and such like entrepreneurial skills—which is what justifies management anyway, and what it can achieve given the necessary loyalty and confidence from its employees.

From the point of view of trade unions the greatest source of grievance, unemployment, would be largely removed and they could begin to start to identify interests and objects held in common with management.

Most people are more likely to be generous, agreeable and cooperative if they have a sense of security, and it is quite clear that this kind of security is not engendered

by state-paid unemployment benefits, which are inadequate in all respects as well as being incredibly wasteful of skill and expensive to operate. Would it not be far better to give firms the responsibility to continue to give employment in difficult times, and to continue to use their labour as best they can, rather than to transfer this burden to the Government, which has no means of alleviating the harmful and demoralizing effect of redundancy?

The pruning and grooming proposed in the Government's Green Paper are not going to achieve any fundamental change in industrial relations, and indeed are not designed to do so. We need a bold stroke to change the whole environment, and lifetime employment must at least be worth thinking about.

Yours faithfully,  
ANTHONY WIGRAM,  
6 Queen Street,  
Mayfair, W.1.

## Breath test controls

From Mr T. E. Rymer

Sir, One little noticed effect of the Transport Bill now before Parliament is that in the vast majority of cases of persons suspected of having driven motor vehicles with excess alcohol in their body the analytical evidence of this for prosecution will be obtained by a police constable at a police station using a sophisticated modern analytical instrument to determine the alcohol content of a breath specimen.

Under these circumstances there will be no opportunity for a motorist to have an independent analysis made, except in the very limited event where the breath test gives a reading of between 40 and 50 microgrammes of alcohol per 100 millilitres of breath, in which case the limited circumstances when the breath test gives a reading only a little over the proposed limit of 40 microgrammes per 100ml.

Any competent professional analyst is only too well aware of how modern sophisticated analytical techniques can suddenly produce the results and such an analyst will recognize when results are suspect. I am utterly appalled that the police, with limited training, are to be given the power to conduct such tests for evidential use with, in the majority of cases, no possibility of further checks being carried out. At present, of course, they must be when evidence relies on the analysis of divided specimens of blood or urine in all prosecutions, and frequently are when samples are taken for the purpose of the Food and Drugs Act and the Agriculture Act, etc.

In my opinion any motorist who suspects that the breath test has given a false result should be given the option to provide blood or urine specimens for subsequent analysis. This option should also be available to the police and the Bill should be amended accordingly, if possible gross injustice is not to result.

Yours faithfully,  
T. E. RYMER,  
(Public Analyst, East and West Sussex),  
The Analytical Laboratory,  
7 Offham Road,  
Lewes, Sussex,  
January 21.

## Side-effects of drugs

From Professor M. J. S. Langman  
Sir, Much time is now spent trying to achieve a balance between the safety and efficacy of drugs. None is entirely safe (unless useless), nor entirely effective. This simple message is very poorly understood and your report, "Examining some drugs" (January 19) is an excellent example of how not to inform.

To say "Some tranquilizers, sedatives" could reduce the sexual drive in some people" is about as useful a statement as, "Some people who ride bicycles could fall off and hurt themselves". The information not given (how often, how severe will be the injury and in what circumstances will it occur) is essential to any proper understanding.

No one could be greatly surprised that medicines which tend to send people to sleep reduce sexual activity. What does matter is whether such an action is sufficiently important to limit drug usage. Surprisingly, sedative, or, rather, however one looks at it, the effect does not seem to be very important, but proper education about the effects of drugs is.

Yours faithfully,  
M. J. S. LANGMAN,  
Department of Therapeutics,  
City Hospital, Nottingham.

## The Pope in Britain

From the Reverend Francis Edwards

Sir, Dr A. C. J. Phillips (January 15) undoubtedly understands the Roman Catholic attitude with regard to the Mass and those who celebrate and communicate at the same rests on grounds of theology and history and not on any desire to seek of excommunication. Undoubtedly, however, he has a point, at least of interpretation, when he reminds us that a Mass said in Canterbury Cathedral would become not "a means of reconciliation" but an affront to those denied participation. If we wish to stress the very real differences still remaining among Christians, the best way would be to celebrate the Mass. If we wish to stress the common ground, the better idea would be to devise a non-eucharistic service in which not only Catholics, and Anglicans of whatever persuasion, but also Nonconformists could take part without embarrassment or affront to conscience.

Yours faithfully,  
FRANCIS EDWARDS,  
Department of Heterography and Archives,  
English Province of  
The Society of Jesus,  
114 Mount Street, W.1.

## Economic planning effects

From Professor Lord Kaldor, FBA

Sir, Professor H. W. Singer (January 15) has rightly drawn attention to the dubious empirical basis of Professor Hayek's contrast (feature, January 9) between the successful capitalist free market economies and unsuccessful countries who remain poor or fell into decline, as a result of following some form of socialism or of economic planning.

Unfortunately Professor Singer's examples do not include Professor Hayek's most glaring omission, which is none other than his own country of birth, Austria, where he spent the first 21 years of his life, the last eight of them as a successful professional economist, ending up as Director of the Austrian Institute of Economic Research.

In contrast to the period of stagnation and high unemployment between the wars which he witnessed, Austria has had the most successful record in terms of fast economic growth, monetary stability and continuous full employment—indeed a greater "economic miracle" than that of Germany or any other "developed" country

## LETTERS TO THE EDITOR

### Implications of Labour's decision

From Lord Underhill

Sir, The decision of the Labour Party special conference for the 30-30-40 formula was arrived at only because of the incomprehensible attitude taken by the Amalgamated Union of Engineering Workers. That union wanted the Parliamentary Labour Party to have 75 per cent of the votes at an electoral college; when it failed with that motion the union then obtained, if it had voted for the 30-25-25 formula, which was the next best, there would have been a majority of over 500,000 for that proposal.

It is stated also that the Union of Shop, Distributive and Allied Workers, with 425,000 votes, varied its previous view and put forward a motion for 20-30-50, by a decision of its executive committee, and that the National Union of Public Employees' delegation decided on a switch of support.

Such a position could arise at an electoral college. Should a union abstain because a first vote did not go its way, or there was a switch of support by a union executive committee or conference delegation, such a travesty of democracy could ensue. The election of a party leader or even a Prime Minister. That would be a travesty for both Labour Party and parliamentary democracy.

Throughout my 50 years' membership of the Labour Party I have consistently refused to link up with any grouping. Others have not shared that concern and there have been pressures exerted by the Campaign for Party Democracy (which sees "one man, one vote" to be undemocratic), the Coordinating Committee, and latterly the Mobilising Committee, which includes the Trotskyist Militant Tendency.

Nothing will be gained by leaving the Labour Party. However, we must work for changes. Therefore, it is my intention to now associate in my parliamentary work with the Manifesto Group and outside with the Campaign for Labour Victory on the understanding that it will work within the Labour Party to reverse the present position, as it has every right to do.

I regard this not as a struggle between "left and right", but a matter of democracy and common sense. I now hope that other Labour Party members will do likewise.

Yours sincerely,  
UNDERHILL,  
House of Lords,  
January 25.

### From Mr Michael Pickering

Sir, I have been a member of the Labour Party since 1952 and am broadly in favour of such things as state control of important industries, worker participation in the running of some cases of workers' control, comprehensive education, state medicine, municipalization of

### Conglomerate ministries

From Lord Houghton of Sowerby

Sir, I do not believe that the conglomerate Department of Health and Social Security (report of John Silkin's address, Whitehall brief, January 20) was put together by Sir Harold Wilson in 1968 "only to create a job suitable for Mr Richard Crossman". I urged Sir Harold to do this in 1955 when I was coordinating minister for the social services. There were problems of administration and barriers to providing comprehensive health and welfare to the people.

Above all, there were priorities to be decided. This entailed allocation of resources with inevitable choices between cash benefits and physical services. Coordination became impossible when the departmental ministers, not in the Cabinet, demanded the right to attend Cabinet meetings to dissent from their coordinator's response to

### Jobs comforter

From Professor R. L. Plackett

Sir, Professor Mills tells us (January 21) that unemployment rises exponentially. If he projects them into the next century he will find that the number of people unemployed exceeds the total population.

Yours faithfully,  
R. L. PLACKETT,  
Department of Statistics,  
The University,  
Newcastle upon Tyne.

### Voice from the past

From Mr Denis Blakeley

Sir, I can certainly vouch for the penetrating quality of RSM Britain's voice. On many occasions, bashing a square adjacent to his at Mons, I and my platoon obeyed his command rather than that of our own RSM.

Yours faithfully,  
DENIS BLAKELEY,  
81 Quai d'Orsay,  
75007 Paris, France.

housing, and redistribution of wealth through direct taxation; moreover I oppose the siting of nuclear weapons in this country and regard our entry into the EEC as having been a mistake bordering upon disaster.

Obviously, therefore, my sympathy with Sir Leslie Murphy (January 21) in his despair with the Labour Party and his desire for a radical alternative cannot be ascribed purely and simply to the party's move to the left.

No, my disenchantment with the party for which I've worked for so many years arises because its present leftward movement has an almost Cadaverous quality, unfavourable by any sense of history or understanding of democratic processes, and based on a romantic and patronising view of what the workers want.

Karl Marx was essentially a realist and knew that for a movement to succeed there must be a groundswell of discontent and of sympathy for its aim springing from people as they actually are and not after they have been lectured de haut en bas by people claiming to know better.

Had he been alive today he would have been among the first to note (as Marcuse did) that nowadays people are different; unfortunately, he is no longer in a position to disabuse the earnest army of self-styled disciples who utter absurdities in his name.

Where in the past the Labour Party has been strong and successful this has happened by virtue, first, of its capacity to contain within itself a richness of differing viewpoints and, second, of its flair for knowing when to advance and when simply to consolidate its gains. It is now buying itself with easing out of its ranks the best members, at all levels, who have brains, experience, and ability, but who suffer from the flaw of believing (for example) that MPs are representatives of all their constituents and delegates under the control of excitable local members, who are sufficiently sacrilegious to want to temper conference decisions in the light of reality.

I do not believe that the Labour Party is doing anything to help the underprivileged by inflexibly insisting on the immediate implementation of aims such as those outlined above or by refusing to accept that some of them may perhaps never be realised. I have studied David Steel's 10 points and find them not only sensible but also—from the evidence of recent opinion survey—in tune with what many people are thinking. They have much more to offer the mass of working people than has a political party that seems determined to remain in opposition, lamenting the revolution that never happened.

Yours faithfully,  
MICHAEL PICKERING,  
38 Oakwood Road, NW11.

my pleading to create a "conglomerate" similar to the model of the Ministry of Defence, to create the Public Expenditure Scrutiny Committee (PESC) where departmental ministers could take their money troubles and their rivalries. All that did was to save us having them out in front of the Cabinet.

After I left the Cabinet in 1967, two successors went through similar experiences. When ministerial changes provided the opportunity of creating the conglomerate in 1968, two candidates were approached and both insisted on it. Crossman got the job, but I wouldn't say that the Department of Health and Social Security was made to measure for him. More likely, I think, he tried it on for size and the tailor thought it was a perfect fit.

Yours, etc,  
HOUGHTON OF SOWERBY,  
House of Lords,  
January 20.

### University election

From the Reverend L. R. Hobbs

Sir, Professor Morris' letter (January 21) aptly summarises my own and, I suspect, many others' feelings as to the unsuitability of the three candidates for the chancellorship of Loughborough University. I would hope, however, that there will not be a mass abstention by those eligible to vote. A far more forceful point would be made if there were substantial numbers of spoilt papers returned. At least then we should be able to distinguish between those who are unhappy with the arrangements and those who have just not bothered. In my own case I have added a covering note expressing my dismay at the standing committee's handling of the whole matter.

If this particular election is to be a non-event, let us ensure that the next one is not.

Yours faithfully,  
LESLIE R. HOBBS,  
4 Oakengates,  
Haworth,  
Bracknell, Berkshire,  
January 22.

## Natural History Museum plans

From Sir John Betjeman and others

Sir, It is surely ironic in this centenary year of Alfred Watrous' masterly Natural History Museum in South Kensington that recently Michael Heseltine, Environment Secretary, supported the recommendation of his inspector at the public inquiry permitting the demolition of a substantial part of the building. The trustees intend to replace the Eastern Galleries with a five-storey block containing new galleries, a restaurant and educational facilities.

At the inquiry, the Greater London Council submitted an alternative showing the feasibility of retaining the existing galleries and converting the non-public areas on the ground floor of the present building to provide additional exhibition space and the other facilities incorporated in the trustees' own proposals. If such a scheme were adopted not only would this splendid grade I listed building remain intact for the future enjoyment of countless visitors but a saving in cost would be made of some £3m and building work be completed in approximately three years instead of six required for the sanctioned project.

Commenting in his report on the GLC alternative, the inspector said: "I believe the problems of housing part of the public exhibition on the ground floor are capable of solution. What is required is a willingness to solve the problems posed." In opting to support the trustees' proposals he admitted his decision was finely balanced.

Notwithstanding, the inspector's conclusion was better the balance to be in favour of the alternative scheme. The advantages of an approach on the principles exemplified in the GLC scheme are, we submit, overwhelming and demand a reconsideration of the present decision.

Yours etc.,  
JOHN BETJEMAN,  
PATRICK BOYLAN,  
D. T. DONOVAN,  
A. R. DUFFY,  
MICHAEL ROBBINS,  
DAVID WATERHOUSE,  
29 Radnor Walk, SW3.

## Vaccine damage liability

From Mrs Rosemary Fox

Sir, When serious injury results from medical intervention, many doctors argue that there should not be legal action, or campaigns, to secure compensation. They claim that all disability is equal and should be catered for under the state system of disability benefits.

This argument would only be acceptable if the state could afford to pay to all disabled people the amount of the loss they would incur following an accurate assessment of their needs—in which case, of course, campaigns and legal action would cease overnight. Since it is highly unlikely that the state will ever be able to pay disability benefits at this level, healthy individuals on whom injury is inflicted have a perfect right to pursue compensation claims based on the cause of injury to provide adequately for their needs and the law has always recognized this right.

One of the campaigns criticized by doctors in your column is that for vaccine damaged children. The Pearson Commission recommended, and Parliament accepted, that they have a special claim to compensation because they have been placed at risk in the interests of the health of the public generally.

Doctors may not see anything unique about their disability, but the parents who produced them as healthy children, and who now suffer financial and emotional hardship do. The Government refusal to pay compensation is penalizing these families for the second time.

It would be interesting to discover if those who argue against compensation claims based on cause of injury would, if seriously injured themselves, insist all thought of redress and be satisfied with state benefits.

Yours faithfully,  
ROSEMARY FOX,  
Secretary, Association of Parents of Vaccine Damaged Children,  
2 Church Street,  
Shipston-on-Stour,  
Warwickshire,  
January 20.

## Medical redundancies

From Dr Alex Paton

Sir, The problem of medical unemployment (January 20) could be solved quite easily. Many disillusioned senior doctors know that the hospital service in particular is overmanned; they are counting the days to retirement but cannot afford to go early because inflation makes a nonsense of pensions based on the last three years of service.

The Government, I suspect, is well aware of the position, but is afraid to apply the concept of redundancy to the National Health Service, not because of political unpopularity but because of the exodus that would result.

Yours faithfully,  
ALEX PATON,  
15 Charlotte Road,  
Birmingham,  
January 21.

## Urgent cable

From Miss Vera Watkins

Sir, With reference to Mr Easthope's account (January 22) of the death of Queen Victoria, it may not be generally known that his efforts to be first with the news were very nearly successful.

That submarine cable connecting Osborne House with the mainland broke shortly before the Queen died. My father, then a junior lieutenant, Philip Watkins, Royal Engineers, got urgent orders to repair it. The job was completed just in time.

Yours faithfully,  
VERA H. WATKINS,  
Sikthay Cottage,  
Netherbury,  
Nr Bridport,  
Dorset,  
January 22.







# THE TIMES

## BUSINESS NEWS

EXPERIENCE, EXPERTISE,  
AND TEAMWORK  
IN CONSTRUCTION.  
**TAYLOR  
WOODROW**

### Sir William Barlow calls for state groups to be restructured

By Peter Hill

A call to restructure the nationalized industries and bring them under the jurisdiction of the Companies Acts, operating as though they were subject to Stock Exchange rules, was made last night as part of a eight-point programme by Sir William Barlow, former chairman of the Post Office.

Sir William, who resigned last year after a series of disagreements about the degree of intervention in the Post Office's affairs, said that the state industries could be changed into Companies Act concerns with equity capital forming most of the funding, even if all the shares were held by the Government.

Under the new structure they would be expected to pay a dividend, and public performance ratios should be published in the same way as they were for private sector companies, with shares available for purchase by the public. Eventually some would become like British Petroleum, whose ownership is shared, in operations and performance.

Sir William was addressing a meeting organized by the Royal Institute for Public Administration on the problems of managing nationalized industries. He said that once the transformation had been achieved, the term "nationalized industries" itself should be abolished because it had become synonymous with "difficult, argument, subsidy and inadequate performance". Instead, the word could be called "national companies".

After the change, the Government should be responsible for the appointment of chairman and of the non-executive directors of the new companies. The non-executive board members would select a chairman but would certainly be responsible.

### Talks on loans to boost energy conservation

By Our Industrial Editor

Discussions are taking place between the European Investment Bank and the Treasury along with other financial institutions, to develop a loan scheme promoting energy conservation investment in the United Kingdom.

Top officials of the EIB want it to be similar to those being developed by the bank in Denmark, Italy, the Republic of Ireland and Belgium.

The Industrial and Commercial Finance Corporation has been taking part in the negotiations and would be the most likely channel through which funds would be allocated.

EIB officials have been encouraged by the response and such a scheme would undoubtedly commend itself to the National Coal Board which has been trying to persuade the Government to launch a scheme to encourage industries to switch from oil to coal-fired boilers.

So far the Treasury has expressed reservations because

of the selection of executive directors.

Under the new organization, the companies' boards would be responsible for fund raising, capital investment and long term planning. Civil Service vetting would be removed. The present role of sponsoring ministers where they hold responsibility for each of the industries would be modified instead, one or possibly two ministers would be responsible for all the national companies.

"Britain does not know what it wants from the nationalized industries with the result that the management of them is very difficult and the results satisfy nobody," he said.

There should be no further nationalization and denationalization should proceed where it was feasible. The present Government had made slow progress by waiting to get the best price. "If the principle is right, they should proceed without delay," he said.

Under his programme of change, the large corporations would be divided into smaller corporations where practical, which would reduce individual top management loads and provide management with a chance of balancing highly centralized union power.

Monopolies in the state sector should be reduced where possible with the injection of competition providing a motivation for management. The relaxation of the telecommunications monopoly had been a start but several others should be tackled.

The whole subject of the future of nationalized industries should be dealt with by a small team under the direction of a chairman appointed by the Prime Minister who would be charged with submitting "creative proposals" within six months.

Business Diary, page 17

### Sir Hugh Fraser tells of new move to oust him

By Philip Robinson

House of Fraser directors will meet at Bankers' House in Kensington High Street, London tomorrow to try to decide who runs Britain's largest stores group.

The meeting has been called not by Sir Hugh Fraser, the group's chairman—who staged a dramatic reconciliation with Mr. Roland "Tiny" Rowland, Lonrho's chief executive, last week—but by Mr. George Willoughby, another House of Fraser director.

Sir Hugh said last night: "I expect they will try to remove me from the board. And if they succeed I expect we will have another meeting to see if the shareholders want to see Sir Hugh Fraser pushed out as chairman."

The future role of S. G. Warburg, House of Fraser's merchant bank, and Casanova, its stockbroker, is also expected to be on the agenda. Neither was available for comment last night.

Sir Hugh said: "There is no love lost between me and Warburg. It is not generally known but they tried to get me out of the chairman last July, but I was supported by the rest of the board."

"That was before the two additions of Professor Roland Smith and Mr. Ernest Sharp were made to the board. I had no objection to the outside director, and Casanova has done a superb job for us."

Professor Smith was given a salary of £50,000 a year after he departed Mr. Rowland as non-executive deputy chairman in August.



Sir Hugh Fraser: "no love lost between me and Warburg."

Lonrho, with two representatives on the House of Fraser board—Mr. Rowland and Lord Duncan-Sandys—made it clear after last week's reconciliation that there was no place in the future of the stores group for either Professor Smith or Warburg.

The board meeting tomorrow is the latest in a series of events which started last Monday on the eve of the special shareholders' meeting to decide whether the group should go ahead with the £29m sale and leaseback scheme for the D. H. Evans Oxford Street store.

That night a private letter from Mr. Rowland was given to Sir Hugh. Its contents did not concern any criticism of the management of House of Fraser but made personal references to Sir Hugh.

Sir Hugh said last night: "He accused me of being bankrupt. I said I could write him a cheque for £250,000—or was it £300,000? I can't remember now."

"Yes, I have been gambling again, it might as well come out into the open. The last time I gambled was this month. I won in one place, lost in another, and came out even over all. But I'm finished with all that now."

The day after the letter was received, Sir Hugh won shareholders' support for the D. H. Evans deal on a show of hands by 62 to 25, but also had the backing of 71.4 million votes against the £1.8 million which included Lonrho's own 45 million shares.

Once again shareholders had rejected what had been described as Lonrho's "harassment" of House of Fraser as decisively as they had at the annual meeting last year.

That afternoon, House of Fraser directors went into a board meeting, after which Sir Hugh said Lord Duncan-Sandys asked him to resign.

Then on Thursday, Sir Hugh received a message from Mr. Rowland saying that he wanted to see him. Mr. Rowland rang from Paris, and flew to the Marine Hotel in Troon, Ayrshire, staying at 7 pm and leaving about 9.10 pm. They talked of misunderstandings and made it up. "We agreed there had been faults on both sides," Sir Hugh said.

Subsequently, Mr. Paul Spicer, a Lonrho director, said the trading group now stood firmly behind Sir Hugh and would have its wholehearted support as chairman of House of Fraser.

Sir Hugh said last night: "I've told Roland that I will be acting for all the shareholders of Fraser, not one side or the other. He gave me an assurance that the harassment would stop, and I believe him."

At midnight on Friday, Mr. David Scholey, chairman of S. G. Warburg, rang Sir Hugh seeking a meeting the next day. Sir Hugh said: "There were representatives from Warburg and me from Casanova and they wanted to know what their position was, and I told them it was up to the Fraser board."

Meanwhile there is growing unrest among a number of House of Fraser's institutional shareholders, the pension funds and insurance companies. Between last June and last week's extraordinary meeting, institutions were encouraged to buy Fraser shares, which sent their proportion of the equity up from around 35 per cent to nearly 40 per cent.

Mr. Hugh Jenkins, director-general of the National Coal Board Pension Fund, the Post Office Pension Fund and Lucas, has sought a meeting with Sir Hugh. Professor Smith and Mr. Sharp, Sir Hugh said: "Contact was made, but they wanted the three of us there, which could not be arranged."

### Stock markets

FT Ind 453.9 up 8.2 pts  
FT Gilt 65.55 down 0.23

### Sterling

\$2.4152 up 35 pts  
Index \$1.0 up 0.5

### Dollar

Index 87.8 up 0.5  
DM 2.0542 up 225

### Gold

\$529.50 down 523

### Money

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### Report calls for tight Fed money policy

From Frank Vogel

Washington, Jan 26

The Southwest Bank of St. Louis today cut its prime commercial lending rate to 19 per cent from 20 per cent. Other United States banks may make a similar cut in the next few weeks, according to Wall Street experts.

Meanwhile, a report published today by the Domestic Monetary Policy Committee of the United States House of Representatives, called for a long-term strategy of tight Federal Reserve policy.

Mr. Warren Mitchell, the committee's chairman, said: "We will not achieve economic stability unless we get M1B growth down to 2 to 3 per cent per year and keep it there."

The report called for greater efforts by the Fed to secure slower money supply growth and for less concern over seeking to regulate interest rate levels.

Mr. Mitchell stressed that attaining 2-3 per cent per year M1B growth may take several years, but that "this is the essential prerequisite for achieving minimal inflation, minimal unemployment and low interest rates."

The Fed is showing no signs of easing its tight money policies, despite increasing expectations that the level of economic activity will slump significantly in the coming months. This expected slump, bringing a fall in general commercial loan demand, is fueling expectations of a prime rate reduction soon.

The Fed's policy decisions in the next few weeks are likely to be critically influenced by the fiscal policy decisions of the Reagan Administration and the congressional response to these decisions.

The Fed is encouraging the Administration to make substantial public spending cuts.

### Gold plunges as sterling advances again

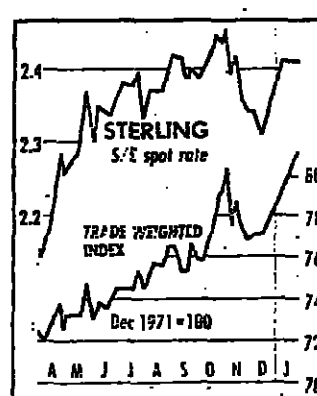
By Frances Williams

Sterling continued to advance against all the main world currencies yesterday, reaching its highest level in several years against a number of continental currencies. But gold plunged to its lowest closing level since the end of May last year, down 523 from Friday's close at \$529.50.

The pound's effective exchange rate against a basket of currencies rose to 81.0, up 0.6 from Friday's close. It was last around this level in April 1975. Against the dollar, which carries a weight of about one-third in the index, sterling rose by just one cent to end the day at \$2.4165, back at the levels reached in mid-November.

The dollar was stronger against continental currencies and the yen. The Deutsche mark proved especially resilient, as the dollar finished trading at DM 2.0542, up 2 1/2 pfennigs.

Foreign exchange dealers were unable to identify any new factors to explain yesterday's sharp rises in the United Kingdom and United States currencies, though some suggested that there had been switching out of gold.



The dollar continues to be supported by high domestic and Eurodollar interest rates, and by expectations that they will remain steady or rise in the near future.

Sterling remains buoyed by its status as a petrocurrency, by high interest rates relative to other European currencies and by its present strong balance of payments position.

The rise of the dollar has been mirrored by the fall in the price of gold, as higher dollar interest rates have increased the costs of financing the metal.

### CBI warning on £34m rates burden

By Clifford Webb

Midland Industrial Correspondent

The Confederation of British Industry has warned Birmingham's Labour-controlled city council that a proposed 40 per cent increase in rates will cost local companies an extra £34m which can only be raised at the expense of jobs and investment.

Mr. David Richards, chairman of the CBI's West Midlands branch, said his group had written the last year more than 70,000 people have been made redundant in the region and at least double this number are on short time.

"There are as yet no signs that economic activity will pick up in the coming year," he said. "Even if it does, the extent of the upturn is uncertain and there is no confidence of its return to pre-recession levels," Mr. Richards said.

### £7m bid by Associated Newspapers for Bristol Evening Post

By Richard Allen

Associated Newspapers, the publishing group behind the Daily Mail and General Trust, has launched a £7m bid for the Bristol Evening Post, which it already has a near 24 per cent stake.

The bid puts a value of £7.76m on the Post, which through Bristol United Press, its trading subsidiary, publishes the Evening Post, the Western Daily Press, New Observer and other titles including the Western Gazette and South Avon Mercury.

Associated, which publishes the Daily Mail and a string of magazines and provincial titles, said yesterday that it had put takeover proposals to the Post board last September. It had decided to go to shareholders direct after failure to reach agreement with the Post board.

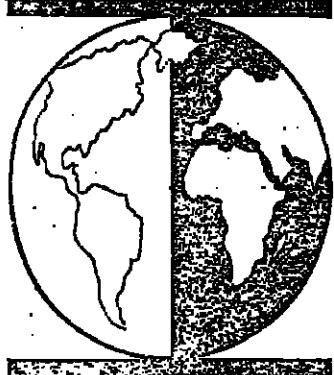
It was still not clear last night whether or not the bid would be opposed, though this seemed possible. Mr. Andrew Breach, chairman, said his board intended to discuss it at a meeting on Thursday.

However, there is understood to be anger in the Post camp over Associated's plan to overturn existing stakeholding agreements between the two groups at an extraordinary meeting before making its bid. The agreements include the understanding that Associated would not make a contested bid for the company.

Associated and its major shareholders, the Daily Mail and General Trust, between them hold 40 per cent of the Post's trading subsidiary as a result of an agreement after the merger of certain publications in the early 1960s.

For this





## US officials seek aid for Chrysler from Japan

Mr Michio Watanabe, the Japanese finance minister said that three senior United States officials were seeking Japan's help in rescuing the ailing Chrysler car corporation.

He said that he had passed the request on to Mr Zenko Suzuki, the Prime Minister, but would not say what the Reagan Administration wanted from Japan or name the three officials, although government sources said one of the three was Mr Paul Volcker, the chairman of the Federal Reserve Board.

Chrysler has a minor shareholding in Mitsubishi Motors which has been a leading supplier of small cars and engines for sale by Chrysler in the United States.

### Tigris project

A German-Italian consortium led by Hochtief, the West German heavy construction company, has secured a contract valued at around DM3,000m (£596m) by the Iraqi irrigation ministry to build a dam across the River Tigris.

### Cargo carrier funding

The Wah Kwong shipping group has negotiated a financial package from Chartered Bank worth the equivalent of £23.75m to cover part of the construction costs of a 250,000 ton deadweight dry cargo carrier for Chivalry Carriers.

### Bonn M3 up 6.9%

West Germany's seasonally-adjusted broadly-defined money supply, M3, grew at a projected annual rate of 6.9 per cent in December, up from 5.9 per cent in November and 3.5 per cent in December 1979.

### Alfa workers laid off

More than 6,000 workers at the Alfa Romeo plants in Milan were laid off for the rest of the week under plans by the management of the state owned car manufacturer to reduce excessive stocks.

### German inflation up

The West German cost of living index for January is expected to show a rise of around 6 per cent compared with the January 1980 figure after a 5.5 per cent year on year rise in December.

### GM spending

General Motors is to spend \$80,000m (£33,333m) on new products, plant and technology between now and the end of the decade, according to an American car paper.

### China's 'open door'

China is maintaining an "open door" policy in foreign trade and economic cooperation, despite economic restraint and cuts in capital investment, Vice Premier Gu Mu said.

### Credit for India

India is seeking a 7-year, \$200m (£83.3m) bank loan for its Oil and Natural Gas Commission with a margin of only 1 point above the London Inter-Bank Borrowing Rate for the first two years and then 1 point above it for the last five years.

### Romania canal loan

The Investment Bank of Romania has successfully negotiated an 8-year \$200m (£83.3m) loan with 32 banks for financing of the Danube-Black Sea canal project.

### Swiss interest move

Two leading Swiss cantonal banks are to raise 5 per cent interest on medium term notes of all maturities. The large commercial banks raised their rates on Friday.

### Brazil approach

The Brazilian Government has approached the French state-owned Renault motor group about the possibility of establishing a motor industry in the Recife region.

### Futures inquiry

The Federal police have detained several executives of unauthorized futures trading houses on charges of fraud and tax evasion.

### Morocco loan

The World Bank is to lend Morocco \$136m (£56.6m) to boost the tourist trade and employment.

### Dutch orders

The Dutch seasonally adjusted index of industrial orders in December was unchanged at 91 (January 1978 = 100) in December.

### Poor wine harvest

The West German wine industry had a "catastrophic" 1980 harvest of 102 million gallons, 43 per cent less than in 1979.

### Harrods orders

Buyers from Harrods department store are to place substantial orders for fashion dresses and separates designed and manufactured in Hongkong.

### US car sales down

New car sales in the United States declined 9.4 per cent in mid-January compared with 1980.

European and Japanese banks will be preferred for future borrowings

## Iran's credit rating likely to improve

When the controversy over the 52 American hostages has died down, many European bankers privately predict that Iran may emerge with a good credit rating and a need to borrow, but with a strong preference for dealing with European or Japanese banks.

Iran is generally regarded now as uncreditworthy. But the Swiss Credit Bank and Banque Nationale de Paris say they are still providing short-term trade and bridging finance against strong guarantees. Most European bankers, however, agree with Mr Gilbert de Botton, of the Bank Rothschild in Zurich, that Iran could raise longer-term money today only by pledging gold or cash.

While Iran's domestic politics and its war with Iraq account for much of the European bankers' reserve, another factor is the claims that many western banks and companies still have against the country.

Although Iran has agreed to pay off all its roughly \$3,600m (£1,500m) worth of syndicated bank debts, the big American and European banks still have outstanding about \$1,400m of private loans to Iranian companies and individuals. In addition, the banks also want compensation for the 47 foreign-controlled banks nationalized at the revolution.

The British, West German and French

export-promotion banks still refuse to extend credit to Iran. It is a simple matter of risk assessment, that has nothing to do with the hostages, a spokesman for Britain's Export Credit Guarantee Department said.

There is no sign, however, that Iran wants to borrow from western bankers. As a recent seminar, Mr Ibrahim Bahmaie, London manager of Bank Saderat, one of Iran's leading banks, said he did not expect Iran would need to borrow from foreign banks this year.

One of the reasons why Iran agreed—to the surprise of many bankers—to pay off immediately all its syndicated bank debt, is thought to be a cash shortage that made it desperate to recover at least some of its frozen assets quickly to finance the war with Iraq.

Bankers feel that Iran can probably keep going without foreign assistance for the best part of a year on the \$3,000m in gold and cash it has already recovered in return for the hostages, together with its earnings from the 700,000 to 1 million barrels of oil it apparently is now selling daily at about \$37 a barrel.

Iran's credit standing in Europe is surprisingly good, Mr Yves Leduc, chief economist at Societe Generale, a big French state bank, said. The financial side of the picture must be separated from the humanitarian.

Many European bankers seem to agree. They argue that Iran has sought to meet its financial obligations, within the limits imposed by the Carter freeze. The bankers remain critical of the freeze, particularly its extension to Iranian funds in overseas branches of American banks, which is still seen as unwarranted political interference in other countries' affairs.

They also say that Iran will emerge from the assets freeze almost free of foreign debt, if outstanding claims can be successfully arbitrated by the tribunal provided for in the hostage agreement.

Some American bankers also show signs of wanting to patch up their quarrel with Iran. Morgan Guaranty, which infuriated the West German Government last year by persuading a German court to attach Iran's roughly 25 per cent stake in Krupp and Deutsche Babcock, the national industrial officer, told delegates: "There is no doubt that some chemical companies are in difficulties as a result of Thatcherism, but that is no excuse for the scale of cutbacks in certain companies."

Large-scale redundancies have been announced in recent months by BP Chemicals, Shell, ICI Fibres and Fisons in its fertilizer division.

Although the GMWU supports new investment, it appears to have been unable or unwilling to evaluate the merits even in terms of jobs pay-off, of the various schemes now competing for access to North Sea feedstocks.

Paul Lewis

New York Times News Service

## Rolls-Royce expecting 1982 profit

By Arthur Reed

Rolls-Royce, the state-owned aero-engine manufacturer, expects a return to profitability in 1982 after making losses during 1979, 1980 and this year.

While it announces its results for 1980 in May, the company is expected to report a halving of its pre-tax loss of £58.4m made in 1979. It made £11.7m in 1978, its last profitable year.

Although it is still suffering in overseas markets through the strong rate for sterling against the dollar, two other factors are helping Rolls towards its financial turnaround. These are the slowing of the inflation rate in Britain and the rising productivity by its 57,000 workers.

By 1984, the company expects that productivity will equal that of Pratt and Whitney and General Electric its main American rivals. This should, in turn, enable it to reduce the price of its engines and spares.

As part of the drive towards higher productivity, Rolls is to shed 2,000 jobs this year and a further 1,000 in 1982, mainly through natural wastage.

## Union calls for increased public investment in chemicals

By John Hurley

Union leaders yesterday urged the Government to take the lead in maximizing the use of North Sea feedstocks in Britain by enlarging the public stake in the chemicals industry.

One way in which this could be done is by allowing the British National Oil Corporation to become a producer of petrochemicals. The state-owned corporation is being allowed to act as a wholesaler for feedstock gases which will become available from the North Sea.

The Government has so far ruled out its entry into downstream activities.

The suggestion is included in a union report containing a 10-point recovery plan for the chemicals industry launched by the General Municipal Workers' Union in London yesterday.

The union says that a full scale programme to harness and use the feedstocks is urgently needed, and it accuses the multinational companies like Shell, ICI, Esso and BP

of reacting belatedly to the opportunities now presented. The union notes that investment is estimated to be likely to fall by as much as 30 per cent between 1978 and 1982.

"It is nonsense for the industry to claim that the resources are not available. On the contrary, billions of pounds will be coming available every year from the Government's North Sea revenues and from the vast savings in pension schemes."

"This money must be channelled to where it is needed—into investment projects such as those associated with North Sea feedstocks, which are crucial to industry's long term survival."

The GMWU repeats its call for selective import controls. It points out that United States exports of chemicals to the European Community have risen quickly, and in the case of some products, like PVC, trebled in the first half of last year alone.

The GMWU report, *Crisis in Chemicals*, strongly criticizes the role of the large companies

and defends workers against allegations of excessive wage claims and low productivity. It claims that the campaign by the Chemical Industries Association to ameliorate the burden of industry taxes is a "diversionary tactic."

Publication of the report coincided with the opening yesterday of the union's national chemicals conference. Mr David Warburton, the national industrial officer, told delegates: "There is no doubt that some chemical companies are in difficulties as a result of Thatcherism, but that is no excuse for the scale of cutbacks in certain companies."

Large-scale redundancies have been announced in recent months by BP Chemicals, Shell, ICI Fibres and Fisons in its fertilizer division.

Although the GMWU supports new investment, it appears to have been unable or unwilling to evaluate the merits even in terms of jobs pay-off, of the various schemes now competing for access to North Sea feedstocks.

The GMWU report, *Crisis in Chemicals*, strongly criticizes the role of the large companies

## Further job fears over Tate closure

By R. W. Shakespeare

Trade union representatives on Merseyside have expressed fears that the planned closure of the Tate and Lyle refinery in Liverpool, with the loss of 1,570 jobs, could lead to still more cutbacks in an area where unemployment is already running at well over 15 per cent, and where many more redundancies are in the pipeline.

They believe the company's decision to close its 12-year-old Liverpool base may mean more redundancies on the docks and possibly in some related industries such as brewing, food and confectionery manufacturing.

Tate and Lyle workers have voted unanimously to mount "total resistance" to the closure plans, which are due to start in April. They are handing over their individual redundancy notices to shop stewards to pass on to a union action committee set up to fight the closure.

Local MPs are already pressing for a Commons debate and several have signed a motion urging the Government to intervene.

Yesterday shop stewards from the Liverpool refinery were attending a joint meeting in London with stewards from the company's two other plants in Scotland and London.

LETTERS TO THE EDITOR

## Importance of sugar arrangement

From The High Commissioner for Guyana

Sir, In today's edition (January 23, page 15) you are good enough to quote from the statement I issued on behalf of the governments of the suppliers of cane sugar to Britain expressing our concern about the decision by Tate & Lyle to close its Liverpool refinery. You go on to say that British ministers "were taking a different line" and had pointed out that the remaining capacity of the refineries would only be some 60,000 tonnes below the actual level of inputs from ACP countries last year of around 1.1m tonnes. In fact, according to the statistics I have seen, this last figure is nearer 1.2m tonnes. However, my real purpose in writing to you is not to advert to discrepancies in figures cited but rather to explain why the governments of the supplying countries believe that an important principle is at stake if any part of the traditional quantity of sugar supplied to Britain is turned away.

The Brandt Commission have recently highlighted the problems faced by countries which are heavily dependent upon the earnings of primary products. In the case of sugar these stem from two main factors—the high protection accorded to domestic producers of beet sugar and the huge surplus within the EEC. The problems are especially severe for the countries on whose behalf I am writing. Sugar constitutes a large proportion of their exports and provides substantial employment; this is a crucial factor where the incidence of unemployment can be three to five times that of the United Kingdom.

Our governments have warned the British Minister of Agriculture and his predecessor that unless the expansion of British beet sugar production was controlled, or arrangements were made to export surplus beet sugar from Britain, there would no longer be a secure market here for the traditional quantity of cane sugar. Our fears have now proved correct and

some sugar is to be denied access to this market. It is, of course, always possible to seek to argue that the first step towards the attainment of a principle is unimportant in itself. However, we do not see it this way. The guarantees relating to access to Europe for the whole of the quantity covered by the sugar protocol are absolutely specific. In practice their implementation depends overwhelmingly on the British market. Therefore, any erosion of this must seriously undermine the basic guarantees themselves. This is why our governments are resolved to close this breach so that the closure of the Liverpool refinery will not prove to be the beginning of the end of the existing cane sugar arrangement with all the distress that this would cause for our countries.

Yours faithfully,  
CEDRIC H. GRANT,  
High Commissioner for Guyana,  
Guyana High Commission,  
3 Palace Court, Bayswater Road,  
London, W2 4LP.

## Fisher report proposals

From Mr Colin Baillieu

Sir, I attended the meeting in the Albert Hall in November when the proposals of the Fisher report on Lloyds were adopted by an overwhelming majority. I subsequently attended a meeting at Lloyds itself, the purpose of which was to establish an association of external names. The meeting was a shambles and the proposed committee and a list of objectives for the proposed association were rejected. Three people, including the chairman, Mr Middleton, were more out of a sense of politeness and embarrassment—allowed to call themselves a steering committee for the summoning of a future meeting to reconsider the formation of an association of external names. The group and many of the rejected committee who are now lobbying against the Lloyds Bill. If that last meeting, attended by less than 100 out of a United Kingdom total of 12,000, was anything to go by, they have very little support from the general run of external members. The group contains members who have suffered considerable losses in the Sasse syndicate. This is at present the only group of members to have signed a petition to clause II which will protect the Council of Lloyds from being sued.

Lady Middleton and her associates want protection, but it is what they want that should be in Lloyds in the first place. Lloyds is a market of high sophistication and high risk and hopefully for individuals, as well as for the country, high profits. It differs from other markets in one vital respect: as a member of Lloyds you have unlimited liability. You know this before joining, and you are specifically told so on joining. Those who seek to leave by unlimited liability should be prepared to die—or at least suffer—for it.

Many of the reservations about the Fisher proposals can be dealt with by the incoming council, after the passing of the Bill. Clause 14, however, is fundamental and failure to incorporate it in the Bill will have two disastrous consequences.

First it will begin the petrification of the market processes and lead inevitably to the decline of the country's biggest "invisible" export earner.

Secondly, it will erode the concept of high risk and unlimited liability which ultimately is the only political justification for the sort of profit for which external members like myself join Lloyds.

My fear is that the publicity given to a small group, who are thought to be acting with a mandate which they do not possess, could endanger the work of the Fisher committee and the chairman of Lloyds who are seeking to up-date the structure of one of Britain's few profitable, thriving, high-technology and high-risk businesses.

Yours faithfully,  
COLIN BAILLIEU,  
Hoyle Farm, Heyshott,  
Midhurst, Sussex,  
January 21.

## Community investment

From Mr Ilyd Harrington

Sir, I doubt if John Pearce, the President of the Port of Falmouth Chamber of Commerce (January 19) and I have similar ideas on "Local Development Boards", but it was a pleasing coincidence that his views were published on the same day as the TUC advocated using pension funds through an industrial bank.

It can never be said often enough that this institution is fiscally and politically the largest unit of "local" government in Europe. Every day the GLC is involved by virtue of its financial role in an enormous number of developments, such as housing, business, Greater London is like Falmouth, in need of economic and social regeneration and so it is appropriate to commend the London Labour Party's proposals for local economic development through the best local agency, viz the GLC.

Yours sincerely,  
ILLYD HARRINGTON,  
Deputy Leader of the Opposition,  
Greater London Council,  
Room 133,  
The County Hall,  
London SE1 7PB.

## VAT and the tourist trade

From Mr Peter C. Cullen

Sir, Mrs Burr (January 22) is asking the Chancellor of the Exchequer to amend the law on VAT for the tourist trade in a way that is, as far as I am concerned, to the benefit of the country to the EEC directive. Article 13 of the Sixth Directive on Turnover Taxes, paragraph B (b), requires member states to exempt (b) the leasing or letting of immovable property excluding

Embracing a London Enterprise Board and a Manpower Commission these Labour Party proposals and long-term financial guarantees could make a serious attempt to only to tackle residual unemployment but also to apply public money to social use. This I think would help to convince many recipients of their own superannuation fund investment that the best guarantee for pension security is profitable investment in their own community.

And surely the safest way of securing control of "the board of directors" is the local election ballot box.

Yours sincerely,  
ILLYD HARRINGTON,  
Deputy Leader of the Opposition,  
Greater London Council,  
Room 133,  
The County Hall,  
London SE1 7PB.

1. the provision of accommodation in the hotel sector.

If Mrs Burr can persuade Brussels to amend the directive she might get some relief, but relief on repairs to property might be a better field on which to fight.

Yours faithfully,  
PETER C. CULLEN,  
113 Tavistock Drive,  
Mapperley Park,  
Nottingham, NG3 5BE.

## Search for the ideal small ship

From Mr E. G. Tattersall

Sir, I was most interested in the article "A big prize for the right 'little ship'" which appeared in *The Times* (November 27, 1980). The problems Mr Julian Taylor raised with regard to speed capabilities and cost are well known and while there is no doubt that improvements in the design of the hull form could lead to marginally more speed and slightly better fuel economies, the higher performance displacement ship is still prohibitively expensive above 30 knots.

The ideal small ship, therefore, should have the following characteristics: a high speed capability substantially more than 30 knots with a form to minimize fuel consumption; a patrol speed, less than 20 knots of long duration being able to stay at sea for a week or more; maintenance of a good speed capability in all but the most severe conditions, say 95 per cent of the time; excellent sea keeping; able to accommodate a helicopter in hangar; mod self-defence capabilities; adequate system for apprehension of "intruders"; minimal crew requirements; good anti-submarine warfare (ASW) performance if so configured; small enough to be produced in quantity and cost effective.

If such a "platform" were made available undoubtedly it would provide a considerable

export potential. It may come as a surprise to yourself and most readers that a most latent solution to this problem has been suppressed within the United Kingdom for some years simply because of the lack of development funds and insufficient foresight to make a priority of combining a domestic offshore need with a worldwide export potential.

In 1966 Hovermarine, (now Vosper Hovermarine) registered a patent that is referred to as the "deep cushion" patent. While incorporating the basic principles previously attributed to Sir Christopher Cockerell it extended this to include a vessel with considerable cushion depth/beam ratio and was of the sidewall hovercraft type. While most publicity is directed to the amphibious hovercraft, which of itself provides a unique solution to the amphibious assault vessels and in mine counter measures, the sidewall hovercraft has been slowly developing, and with only 5 per cent of the total United Kingdom government funds previously allocated to hovercraft development it now ranks as one of the most successful exporters of high speed craft in the world. These craft are presently up to 90 tons displacement.

A successful small feasibility study was undertaken on the "deep cushion" concept with some financial assistance from

## Wages councils as watchdogs

From Mr Jack Moss

Sir, Mr David Dexter of the National Federation of Self Employed and Small Businesses wants to end wages councils because they are pricing people out of the labour market. (*The Times*, January 13).

He said: "Most wages councils were set up 60 years ago to deal with 'sweatshop' conditions and slave wages. They are no longer relevant in today's society." He has evidently not heard of the clothing industry.

Two personal experiences in London during October 1980—not 1920. The first: A tailor, male aged 51 on £50 for a 40-hour week. The second: A tailor aged 61, sacked after 71 years. The firm abandoned him—they had run out of cash. He received no holiday pay, nor wages in lieu of notice. His pay was £45 for a 40-hour week.

I would have thought that the ending of wages council that provides a statutory right of terms and conditions, however inadequate, is better than none at all. If Mr Dexter is serious and considers his proposal a progressive one, then retrogress must be a thing of the past. Wages councils in the 1920's are not very far away.

Yours faithfully,  
J. MOSS,  
Furniture, Timber & Allied Trade Union (London) Hall,  
14 Jockey's Fields,  
Holborn, London, WC1R 4BE.

## The treatment of customers

From Mr R. Gibbs

Sir,—I sympathize with Mr Fox ("Credit card surcharge", letters, January 19), but he has at least received an explanation, however unsatisfactory.

Last summer I toured the United States in a car rented from Hertz against their own credit card and in the course received an invoice in sterling from the Norfolk agency. I sent my cheque in return enclosing a letter asking about the conversion rate which was lower than might have been expected and contrasted unfavourably with that used by Access/Mastercard for the same period. My cheque was promptly cleared but the letter was ignored.

A few weeks later I wrote again with the same result. Somewhat hurt I then wrote to the President of Hertz in Oklahoma City, United States, asking whether this was really the image they wanted the public to have of them. No reply.

All this leaves Hertz competitors little to do in trying harder but I think Mr Fox's letter to the Government is very pertinent—that we customers are being treated with complete contempt.

Yours faithfully,  
R. F. GIBBS,  
4 Chantry Hurst,  
Woodcote Green,  
Epsom,  
Surrey,  
January 20.

## 20,000 UK clothing jobs at risk

From Peter Norman

Brussels, Jan 26

Mr Alec Smith, general secretary of the National Union of Textiles and Garment Workers, today gave a warning that 20,000 jobs, representing 10 per cent of the current labour force, could be lost in the British clothing industry this year.

After a day spent visiting EEC Commission officials as a member of a joint delegation of employers and union leaders from the industry, Mr Smith said that the state of employment had reached critical proportions.

Part of the blame lay with the domestic policies of the

British Government, he said, but a still greater problem was "the misapplication of current trading arrangements."

Mr Gerald French, a director of the British Clothing Industry Association, said that both sides of the industry detected a lack of will on the part of the commission to gain the best advantage from the quotas of the multi-fibre arrangements, the regime under which international trade in textiles and clothing is regulated.

Mr Smith said that the Commission should act with greater speed, particularly when dumping was alleged. "It should act instead of waiting for the decision of the sector," he said.



Mr Alec Smith: warning.

## Heavy NCB investment in pit automation

Nucleonic methods of sensing coal and underground gas techniques are likely to follow the National Coal Board's present generation of automation systems. This was indicated by Sir Derek Ezra, NCB chairman, during a recent visit to Bagworth Colliery in Leicestershire.

Bagworth has served as an experimental development site for computer-based monitoring and control systems which are being introduced in collieries throughout the country.

Bagworth's Mine Operating Systems (Mivos) controls almost nine miles of underground coal conveyors, starting them up in the correct sequence, continuously monitoring them and stopping them. It also monitors three storage bunkers and pumping operations to keep the mine free from flooding.

The second part of the Bagworth installation is known as Fido (Face Information Digested On-line). This monitors the mining machine each of three goaf faces, checking whether the machine, with its associated conveyor system, is running or is prevented from cutting coal; and observing the mechanical "health" of the equipment.

This significantly helps to reduce persistent production bottlenecks. Both systems free men from inspection and patrolling duties for productive jobs.

Computer monitoring of mine ventilation is in operation at five other collieries, and development is well advanced

## Technology News

to extend the monitoring technique to the electrical switchgear that supplies power to the mining machines and to ventilation fans.

Sir Derek Ezra, on his visit to Bagworth, said: "We took an old industry and fully mechanized it. Now we are going still further and applying computers and other high-technology techniques to improve the performance of machinery and to control the mining environment. This gives management valuable information and close control of operations in a way that has not been possible before."

"We have by no means reached the limit of information and control systems we can apply to our established and proven methods of mining. These include not only the widespread use of computers, but developments that will utilize nucleonic coal sensing and radar techniques underground."

Improvements in emulsifying

An improved method of emulsifying liquids which uses electrostatic forces has been developed at Southampton University and is being promoted for industrial use by the National Research Development Corporation.

Emulsification, or the dispersion of fine particles of one liquid into another liquid, is important in many manufacturing processes. It is particularly important for aerosol products such as wax polishes, where a small amount of the product needs to be distributed evenly and finely over a large area.

Conventionally a two-stage mechanical process is used, which may suffer from a wide variation in particle size which can lead to creaming or settling. In the Southampton process, now in pilot stage, a high direct voltage (40 kilovolts) is applied to the first liquid as it emerges from a nozzle, producing an atomized spray which is fed into a thin, moving layer of the second liquid.

Nuclear station earthquake test

An earthquake simulator in which nuclear power station equipment will be tested is to be supplied to the Hydroproject Institute of Moscow by Servotest, part of the Derritron group. The simulator is a computer-controlled laboratory in which the equipment to be tested will be mounted on a seismic platform six metres square.











## Commodities

[illegible]

**market**

There should have been a fairly substantial surplus of funds in the market yesterday, but the money was certainly not fully showing, and the discount houses took help on a small scale from the Bank of England.

The authorities bought Treasury Bills and local authority bills direct from the houses.

Rates opened around 134 1/2 per cent and closed within bounds of 13 per cent and 124 per cent.

**Sterling: Spot an**

Sterling and the dollar. Major sterling gains at the expense of the dollar, currencies not moderately active in foreign exchange markets yesterday.

The pound which was trading at many instances at its highest level against continental currencies for a number of years established a record closing effective exchange index of 81.6 (overnight 80.3) as measured by the format used for a number of years.

Against the dollar rose, the pound war: in very good form

climbed 95 points, closing at 2,407, 1/2.

Dealers said that the reason for the climb in sterling was that it was considered long to be undervalued against the pound of United Kingdom.

Last week's loss of Kauffman that U.S. interest rates could record levels of continental interest rates the fresh demand

**d Forward** **Other**

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precious metal group was hit by a sharp fall in bullion prices.

Jim Chalmers	34
Memo	34
Amaz Inc	41
Amelia Vega	40
Am Airlines	40
Am Brazil	40
Am Broadcast	40
Am Can	40
Am Cyanamid	40
Am Fire Power	40
Am Home	40
Am Motor	40
Am Nat Res	40
Am Sanders	40
Am Telephone	40
AMP Inc	40
Arcon Steel	40
Aurora	40
Asland Oil	40
Atlantic Richfield	40
Aven	40
Axon Products	40
Bankers Tr NY	40
Bank of America	40
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Beairste Foods	40
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[illegible][illegible]

Montreal	\$2,600-8770	\$2,874-9047
Amsterdam	5,32-401	5,381-791
Brussels	79,90-79,454	78,55-401
Copenhagen	15,06-49K	15,673-70
Publia	1,315S-430P	1,329S-222
Frankfurt	4,96-707	4,981-861
Geneva	138,20-132,00e	131,60-133,00
Madrid	79,90-79,454	78,55-401
Milan	272S-551	273,54-551
Oslo	12,76-57K	12,86-57K
Paris	11,32S-451Z	11,43-444
Stockholm	10,10-451	10,10-451
Toronto	48S-651	491,1S-651
Vienna	34,70-35,25sch	34,18-35,25sch
Zurich	4,42S-481	4,47-481

Effective exchange rate compared to Deutsche Mark

[illegible]

9,045,449	profit taking.
7,600,000	Volume leader Texaco dropped
4,045,540	1931. Last week reported
117,765,729	lower. Fourth quarter net.
12,335,525	Oil of California eased 1 to 39
not available	but Atlantic Richfield added 4
6,590,000	59. Both reported higher fourth
2,825,829	quarterly earnings.
53,957,570	dividend. Mobil lost 2 to 77
4,298,512	Standard Oil of California two to
1,000,000	931 and Cines Service 2 to 4.
	In the previous
	Adams dropped 33 to 53.
	rides 32 to 761. Homestake
	to 331. Hecia Minerals 31 to
	Sunshine Minerals 31 to 26.
	Engelhard Minerals 2 to 46.
	P Phelps Dodge lost one to

Hindal Meters	489
Hotchkiss	385
Washington Ind	641
Burlington Nium	641
Burrage	467
Camden Soup	314
Canadian Pacific	138
Caterpillar	61
Celco	154
Central Soya	167
Chase Natl	44
Corn Bank NY	48
Sheafake Ohio	414
Crysler	25
Cummins	25
Cities Service	474
Clark Equip	25
Coca Cola	24
Colgate	14
COR	44
Columbia Gas	32
Comausion Eng	48
Commw Edison	18
Conoco	18
Cons Edision	24
Con Food	24
Cons Paper	16

194	land beetle	296	scoring trap
195	land snail	297	sewing machine
196	land turtle	298	shampoo
197	land warbler	299	shampoo cap
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## EEC crude steel production falls

European Common Market crude steel production, currently controlled by the EEC Commission, fell 19 per cent to 28.9 million tonnes in the last three months of 1980, according to the commission.

It had predicted a 14 per cent fall for the period over 1979 levels. Over the whole of 1980, the EEC produced 128.6

Sterling	81.6	-23.0	Net
U.S. dollar	87.4	-6.5	Ex
Canadian dollar	86.7	-18.4	De
Sw.illing	144.1	-21.4	De
Belgian franc	110.5	+10.3	De
Danish kroner	99.7	-4.8	Pre
Deutsche mark	143.5	+34.1	Sp
Swiss franc	184.3	+75.2	Hi
Guilder	121.7	+16.6	Hi
French franc	147.5	-6.6	De
Lira	40.7	-2.1	De
Yen	246.1	+42.9	Ja

Based on trade weighted changes from Washington agreement December 1971.  
 (Bank of England Index 100).

**EMS Currency**

Germany	1.185-1.189	
Switzerland	2.028-2.230	(Last changed 24/11/80)
Italy	75.30-92.54	
United Kingdom	6.309-6.310	Discount Banks Base Rate
France	2.95-2.9847	
Spain	54.54-54.55	Cleaning Mrs Loner's
Belgium	37.00-37.35	Overnight: Bk 1/24
Netherlands	97.00-97.50	
Sweden	3.328-3.528	Week Fixed: 14-24
Austria	4.238-4.750	
Denmark	4.307-4.315	
Portugal	20.30-20.33	
Japan	15.50-14.57	
Ireland	1.635-1.659	
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Crown Zeller	400
Dart & Kraft	43
Deere	414
Delta Air	64
Detroit Edison	400
Dow Chemical	114
Dresser Ind.	464
Duke Power	174
Du Pont	404
Eastern Air	74
Eastman Kodak	404
Exxon Corp.	204
Fl. Pure Nat. Gas.	234
Equitable Life	114
Farmak	49
Exxon P. D.	204
Exxon Corp.	204
Fed. Dept. Stores	314
Foodco	154
Int. Chicago	154

— Ex div. — Asked. —

[illegible]

last October which vary for each product and take account of the past performances of individual producers, have already caused price rises.

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### LME metal stocks

Stocks in the London Metal Exchange official warehouses at the end of last week, (all in tonnes) were as follows:

	rates	ECU	rate
Belgian franc	39.7897	41.5866	+4
Danish krone	7.7236	7.06939	+3
German D-mark	2.48308	2.48308	0
French franc	5.84700	5.88161	+2
Dutch guilder	2.74362	2.81364	+2
Irish punt	0.668201	0.692659	+3
Italian lira	1157.79	1231.71	+6

+ changes are for the ECU therefore, currency.  
 + adjusted for sterling's weight in the divergence limits.  
 Adjustments calculated by The Times.

	plus	minus			
1			2 months	155-156	8 months
2	+0.45	1.53	3 months	147-148	10 months
3	+0.63	1.64	4 months	140-141	12 months
4	+0.71	1.125	5 months	143-133	11 months
5	-1.71	1.555	6 months	144-134	12 months
6	-1.46	1.512			
7	-1.33	1.565			
8	+2.37	4.08			
Secondary Mkt. (C)					
1			1 month	140-141	6 months
2			3 months	141-132	12 months
Local Authority M.					
1			2 days	140-141	3 months
2			7 days	143-144	6 months
3			2 months	143-144	1 year
Interbank Mkt.					

hubs 14-15 1/2	with nearby down 0.50 to 0.25 cents
hubs 15-16 1/2	And market's decline in nearby down
hubs 16-17 1/2	to 0.05 cent. Near Jan. 81 5 1/2
hubs 17-18 1/2	Feb. 82 3 1/2 March 83 30-35.70
hubs 18-19 1/2	Mar. 83 35-40 March 84 30-35
hubs 19-20 1/2	Apr. 84 30-35 May 84 30-35
hubs 20-21 1/2	June 84 30-35 March 85 30-35
hubs 21-22 1/2	July 85 30-35 March 86 30-35
hubs 22-23 1/2	July 86 30-35 March 87 30-35
hubs 23-24 1/2	July 87 30-35 March 88 30-35
hubs 24-25 1/2	July 88 30-35 March 89 30-35
hubs 25-26 1/2	July 89 30-35 March 90 30-35
hubs 26-27 1/2	July 90 30-35 March 91 30-35
hubs 27-28 1/2	July 91 30-35 March 92 30-35
hubs 28-29 1/2	July 92 30-35 March 93 30-35
hubs 29-30 1/2	July 93 30-35 March 94 30-35
hubs 30-31 1/2	July 94 30-35 March 95 30-35
hubs 31-32 1/2	July 95 30-35 March 96 30-35
hubs 32-33 1/2	July 96 30-35 March 97 30-35
hubs 33-34 1/2	July 97 30-35 March 98 30-35
hubs 34-35 1/2	July 98 30-35 March 99 30-35
hubs 35-36 1/2	July 99 30-35 March 00 30-35
hubs 36-37 1/2	July 00 30-35 March 01 30-35
hubs 37-38 1/2	July 01 30-35 March 02 30-35
hubs 38-39 1/2	July 02 30-35 March 03 30-35
hubs 39-40 1/2	July 03 30-35 March 04 30-35
hubs 40-41 1/2	July 04 30-35 March 05 30-35
hubs 41-42 1/2	July 05 30-35 March 06 30-35
hubs 42-43 1/2	July 06 30-35 March 07 30-35
hubs 43-44 1/2	July 07 30-35 March 08 30-35
hubs 44-45 1/2	July 08 30-35 March 09 30-35
hubs 45-46 1/2	July 09 30-35 March 10 30-35
hubs 46-47 1/2	July 10 30-35 March 11 30-35
hubs 47-48 1/2	July 11 30-35 March 12 30-35
hubs 48-49 1/2	July 12 30-35 March 13 30-35
hubs 49-50 1/2	July 13 30-35 March 14 30-35
hubs 50-51 1/2	July 14 30-35 March 15 30-35
hubs 51-52 1/2	July 15 30-35 March 16 30-35
hubs 52-53 1/2	July 16 30-35 March 17 30-35
hubs 53-54 1/2	July 17 30-35 March 18 30-35
hubs 54-55 1/2	July 18 30-35 March 19 30-35
hubs 55-56 1/2	July 19 30-35 March 20 30-35
hubs 56-57 1/2	July 20 30-35 March 21 30-35
hubs 57-58 1/2	July 21 30-35 March 22 30-35
hubs 58-59 1/2	July 22 30-35 March 23 30-35
hubs 59-60 1/2	July 23 30-35 March 24 30-35
hubs 60-61 1/2	July 24 30-35 March 25 30-35
hubs 61-62 1/2	July 25 30-35 March 26 30-35
hubs 62-63 1/2	July 26 30-35 March 27 30-35
hubs 63-64 1/2	July 27 30-35 March 28 30-35
hubs 64-65 1/2	July 28 30-35 March 29 30-35
hubs 65-66 1/2	July 29 30-35 March 30 30-35
hubs 66-67 1/2	July 30 30-35 March 31 30-35
hubs 67-68 1/2	July 31 30-35 March 32 30-35
hubs 68-69 1/2	July 32 30-35 March 33 30-35
hubs 69-70 1/2	July 33 30-35 March 34 30-35
hubs 70-71 1/2	July 34 30-35 March 35 30-35
hubs 71-72 1/2	July 35 30-35 March 36 30-35
hubs 72-73 1/2	July 36 30-35 March 37 30-35
hubs 73-74 1/2	July 37 30-35 March 38 30-35
hubs 74-75 1/2	July 38 30-35 March 39 30-35
hubs 75-76 1/2	July 39 30-35 March 40 30-35
hubs 76-77 1/2	July 40 30-35 March 41 30-35
hubs 77-78 1/2	July 41 30-35 March 42 30-35
hubs 78-79 1/2	July 42 30-35 March 43 30-35
hubs 79-80 1/2	July 43 30-35 March 44 30-35
hubs 80-81 1/2	July 44 30-35 March 45 30-35
hubs 81-82 1/2	July 45 30-35 March 46 30-35
hubs 82-83 1/2	July 46 30-35 March 47 30-35
hubs 83-84 1/2	July 47 30-35 March 48 30-35
hubs 84-85 1/2	July 48 30-35 March 49 30-35
hubs 85-86 1/2	July 49 30-35 March 50 30-35
hubs 86-87 1/2	July 50 30-35 March 51 30-35
hubs 87-88 1/2	July 51 30-35 March 52 30-35
hubs 88-89 1/2	July 52 30-35 March 53 30-35
hubs 89-90 1/2	July 53 30-35 March 54 30-35
hubs 90-91 1/2	July 54 30-35 March 55 30-35
hubs 91-92 1/2	July 55 30-35 March 56 30-35
hubs 92-93 1/2	July 56 30-35 March 57 30-35
hubs 93-94 1/2	July 57 30-35 March 58 30-35
hubs 94-95 1/2	July 58 30-35 March 59 30-35
hubs 95-96 1/2	July 59 30-35 March 60 30-35
hubs 96-97 1/2	July 60 30-35 March 61 30-35
hubs 97-98 1/2	July 61 30-35 March 62 30-35
hubs 98-99 1/2	July 62 30-35 March 63 30-35
hubs 99-100 1/2	

1.1897 11.1903.  
Index was 422.55  
The Dow Jones  
52.056-2.041: Sep  
Dec. 52.160-2.152  
2.210.  
COTTON futures we  
87.75c: May, 88  
89.66-89.70c: Oct. 8  
83.70c: March, 84 6  
May, 85.50-86.00c:  
CHICAGO GRAINS  
closed on the high

[illegible]

zinc rose 1,125 to 91,500;  
aluminium fell 1,950 to 57,050;  
nickel rose 24 to 4,200; and  
silver rose 60,000 to 26,400,000.

16 $\frac{1}{2}$ -19 $\frac{1}{2}$ ; one month, 19 $\frac{1}{2}$ -20; three months, 18 $\frac{1}{2}$ -18 $\frac{1}{2}$ ; six months, 17 $\frac{1}{2}$ -17 $\frac{1}{2}$ .	P K S S L
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.5534.50 close \$529.50.  
 ugerrand (per coin): \$545-  
 (1225.75-2271.  
 everlane (new): \$133.5-  
 5.5 (123.25-36.25).

First Class Finance Hou  
 3 months 14% 6 m  
 Finance House Base Rate 15%

120.50: May, 123.30-124.25: July  
127.30-125.50c: Sep 127.10 127.50c  
Dec. 127.50c: March, 126.90c: May  
127.00c.

**COCOA futures** wtrr: March, \$1.95 1/2  
1 9/10: May, \$2.007-1.791. July

265<sup>1</sup>c: May, 189<sup>1</sup>a;  
465c: Sept, 492-47<sup>1</sup>a;  
May, 374<sup>1</sup>-363<sup>1</sup>c;  
301<sup>1</sup>c: CORN: M  
Sept, 372<sup>1</sup>-363<sup>1</sup>c;  
March, 375<sup>1</sup>-365c

butane) closed	57.20-53.25	May	54.10-54.00	asked
butane) higher,	July 24.90-24.65	Aug.	25.10-	asked
cent. range in	Oct.	25.70-	Dec.	26.30-
C&I closing 1/1	27.20-	Jan.	26.30	bid-26.55
March 480-	March 26.30	bid-26.60	asked	SOYA-
5750-	BEAN MEAL	March 50.15	50-51.14	asked
July 47-	Oct.	50.00	50.00	asked
July 47-	25.00-	Aug.	25.20-25.52	30.00-
July 57-	50.00-	Aug.	52.10-52.50	asked
Oct. 56-	52.50-	Oct.	52.50-	Dec.
Dec. 56-	53.50-	Jan.	53.50-	bid-53.60
OATS, March 217-	asked.			

1980/81				1981/82				1982/83			
High	Low	Offer	Yield	High	Low	Offer	Yield	High	Low	Offer	Yield
10.5	10.0	10.2	10.3	10.5	10.0	10.2	10.3	10.5	10.0	10.2	10.3

[illegible]



Stock m  
B<sup>2</sup>

ACCOUNT DAYS: Dealings Began Jan 26. Dealings End. Feb 6. \$ Contango Day. Feb 9. Settlement Day, Feb 16

§ Forward bargains are permitted on two previous days

[illegible]















